

CEDERBERG

LOCAL MUNICIPALITY



[These financial statements have not been audited]

ANNUAL FINANCIAL STATEMENTS

30 JUNE 2012

CEDERBERG LOCAL MUNICIPALITY

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CEDERBERG LOCAL MUNICIPALITY

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

GENERAL INFORMATION

NATURE OF BUSINESS

Cederberg Municipality is a local municipality performing the functions as set out in the Constitution. (Act no 105 of 1996)

COUNTRY OF ORIGIN AND LEGAL FORM

South African Category B Municipality (Local Municipality) as defined by the Municipal Structures Act. (Act no 117 of 1998)

JURISDICTION

The Cederberg Local Municipality includes the following areas:

Clanwilliam
Lamberts Bay
Citrusdal
Graafwater
Leipoldtville
Elands Bay

MEMBERS OF THE MAYORAL COMMITTEE

Cllr Jonas White (Executive Mayor)
Cllr Lorna Scheepers (Deputy Mayor)
Cllr Johan Muller (Speaker)
Cllr Danville Smith (Member)
Cllr William Abels (Member)

MUNICIPAL MANAGER

Mr. Ian Kenned

CHIEF FINANCIAL OFFICER

Mr. Elrico Alfred

REGISTERED OFFICE

2A Vootrekker Road
Clanwilliam

AUDITORS

Office of the Auditor General (Western Cape)

PRINCIPLE BANKERS

ABSA BANK Limited

AUDIT COMMITTEE

Francois Engelbrecht (Chairperson)
Christiaan Cloete

ATTORNEYS

Webber Wentzel

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

GENERAL INFORMATION

RELEVANT LEGISLATION

Municipal Finance Management Act (Act no 56 of 2003)
Division of Revenue Act
The Income Tax Act
Value Added Tax Act
Municipal Structures Act (Act no 117 of 1998)
Municipal Systems Act (Act no 32 of 2000)
Municipal Planning and Performance Management Regulations
Water Services Act (Act no 108 of 1997)
Municipal Property Rates Act (Act no 6 of 2004)
Remuneration of Public Office Bearers' Act (Act 20 of 1998)
Skills Development Levies Act (Act no 9 of 1999)
Employment Equity Act (Act no 55 of 1998)
Unemployment Insurance Act (Act no 30 of 1966)
Basic Conditions of Employment Act (Act no 75 of 1997)
Supply Chain Management Regulations, 2005
Collective Agreements
Infrastructure Grants
SALGBC Leave Regulations
National Environmental Management Act
Preferential Procurement Policy Framework Act, 200
Occupational Health and Safety Act

MEMBERS OF THE CEDERBERG LOCAL MUNICIPALITY

Ward 1	Cllr Johannes Jacobus Muller
Ward 2	Cllr Julio Julian Fransman
Ward 3	Cllr Lorna Scheepers
Ward 4	Cllr Jimmy Barnard
Ward 5	Cllr Danville Smith
Ward 6	Cllr William Abels
Proportional	Cllr Sylvia Cerliena Newman
Proportional	Cllr Judith Mouton
Proportional	Cllr Letta Matlhodi Maseko
Proportional	Cllr Benjamin Ferdinand Zass

CEDERBERG LOCAL MUNICIPALITY

APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS

I am responsible for the preparation of these annual financial statements year ended 30 June 2012, which are set out on pages 1 to 73 in terms of Section 126 (1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality. The annual financial statements have been prepared in accordance with GRAP.

I acknowledge that I am ultimately responsible for the system of internal financial control and that the system of internal control provides reasonable assurance that the financial records can be relied on.

I have reviewed the Municipality's cash flow forecast for the year to 30 June 2013 and am satisfied that the Municipality can continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the Municipality's financial statements.

I certify that the remuneration of Councillors and in-kind benefits are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.

Municipal Manager

Date

CEDERBERG LOCAL MUNICIPALITY

STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2012

	Notes	2012 R	Restated 2011 R
NET ASSETS AND LIABILITIES			
Net Assets		506 418 667	512 632 352
Capital Replacement Reserve	2	5 000 000	5 000 000
Accumulated Surplus		501 418 667	507 632 352
Non-Current Liabilities		42 721 661	37 216 992
Long-term Liabilities	3	8 665 175	8 354 367
Employee Benefits	4	18 619 441	14 160 677
Non-Current Provisions	5	15 437 045	14 701 948
Current Liabilities		35 614 796	39 630 653
Consumer Deposits	6	1 286 164	1 209 260
Current Employee Benefits	7	5 428 931	4 976 092
Provisions	8	2 171 679	2 068 266
Payables from Exchange Transactions	9	21 622 574	23 574 906
Unspent Conditional Government Grants and Receipts	10	1 648 973	5 545 532
Unspent Public Contributions	11	2 409	173 323
Taxes	12	911 490	-
Operating Lease Liability	19	8 206	14 340
Current Portion of Long-term Liabilities	3	2 534 370	2 068 935
Total Net Assets and Liabilities		584 755 124	589 479 999
ASSETS			
Non-Current Assets		544 447 978	524 816 544
Property, Plant and Equipment	13	501 779 127	482 539 550
Investment Property	14	41 941 030	41 951 571
Intangible Assets	15	727 821	325 422
Current Assets		40 307 146	64 663 455
Inventory	16	3 091 742	3 280 480
Receivables from Exchange Transactions	17	23 181 674	15 081 341
Receivables from Non-Exchange Transactions	18	7 839 889	10 360 409
Unpaid Conditional Government Grants and Receipts	10	575 435	2 535 085
Unpaid Public Contributions	11	-	16 359
Operating Lease Asset	19	68 372	65 699
Taxes	12	-	2 293 859
Cash and Cash Equivalents	20	5 550 034	31 030 223
Total Assets		584 755 124	589 479 999

CEDERBERG LOCAL MUNICIPALITY

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2012

	Notes	2012 R	Restated 2011 R
REVENUE			
Revenue from Non-exchange Transactions		99 047 896	98 656 904
Taxation Revenue		26 659 986	22 292 892
Property Rates	21	24 031 021	22 292 892
Other Taxes	22	2 628 965	-
Transfer Revenue		65 251 785	71 632 747
Government Grants and Subsidies - Capital	23	36 554 225	29 248 006
Government Grants and Subsidies - Operating	23	28 543 005	42 106 603
Public Contributions and Donations	11	154 555	278 138
Other Revenue		7 136 124	4 731 265
Actuarial Gains	4	-	248 238
Third Party Payments		46 598	175 192
Fines	24	3 336 994	4 307 835
Transfer from DMA		3 752 533	-
Revenue from Exchange Transactions		79 197 460	69 292 856
Service Charges	25	69 722 439	59 358 753
Rental of Facilities and Equipment	26	2 722 091	3 038 279
Interest Earned - external investments		1 474 128	2 289 590
Interest Earned - outstanding debtors		2 283 086	1 995 717
Agency Services		1 735 819	1 699 935
Other Income	27	1 259 897	910 582
Total Revenue		178 245 356	167 949 760
EXPENDITURE			
Employee related costs	28	54 654 328	46 009 887
Remuneration of Councillors	29	3 569 187	3 285 332
Debt Impairment	30	8 366 652	3 640 733
Collection Cost		2 932	97 510
Depreciation and Amortisation	31	18 205 303	17 046 420
Impairments	32	7 895	122 230
Stock Adjustments		-	5 621
Repairs and Maintenance		7 975 934	7 054 833
Actuarial Losses	4	2 988 606	1 362 903
Finance Charges	33	3 218 851	3 105 771
Bulk Purchases	34	43 231 765	35 460 176
Operating Grant Expenditure	35	13 956 482	20 609 941
General Expenses	36	26 088 245	17 605 372
Loss on disposal of Property, Plant and Equipment		2 192 865	454 353
Total Expenditure		184 459 043	155 861 082
NET SURPLUS/(DEFICIT) FOR THE YEAR		(6 213 687)	12 088 678

CEDERBERG LOCAL MUNICIPALITY

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2012

	Capital Replacement Reserve R	Accumulated Surplus R	Total R
Balance at 1 July 2010	5 000 000	384 199 346	389 199 346
Correction of error restatement - note 37	-	111 344 323	111 344 323
Rounding		6	6
Restated Balance at 1 July 2010	5 000 000	495 543 674	500 543 674
Net Surplus for the year	-	12 088 678	12 088 678
Restated balance at 30 June 2011	5 000 000	507 632 352	512 632 352
Deficit for the year	-	(6 213 687)	(6 213 687)
Rounding	-	2	2
Balance at 30 June 2012	5 000 000	501 418 667	506 418 667

CEDERBERG LOCAL MUNICIPALITY

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2012

	Notes	2012 R	Restated 2011 R
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts			
Ratepayers and Other		94 216 552	88 452 730
Government		64 343 104	65 836 613
Interest		3 757 214	4 285 307
Payments			
Suppliers and Employees		(149 146 393)	(118 228 777)
Finance charges		(3 218 851)	(3 105 771)
Cash generated by operations	38	9 951 627	37 240 102
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Property, Plant and Equipment	13	(35 760 926)	(36 736 544)
Purchase of Intangible Assets	15	(524 037)	(83 524)
Net Cash from Investing Activities		(36 284 963)	(36 820 068)
CASH FLOW FROM FINANCING ACTIVITIES			
Loans repaid		(2 223 758)	(1 596 077)
New loans raised		3 000 000	222 869
Increase in Consumer Deposits		76 905	96 869
Net Cash from Financing Activities		853 147	(1 276 339)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(25 480 189)	(856 305)
Cash and Cash Equivalents at the beginning of the year		31 030 223	31 886 528
Cash and Cash Equivalents at the end of the year	39	5 550 034	31 030 223
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(25 480 189)	(856 305)

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

2	NET ASSET RESERVES	2012 R
	Capital Replacement Reserve	5 000 000
	Total Net Asset Reserves	5 000 000
3	LONG-TERM LIABILITIES	
	Annuity Loans - At amortised cost	10 666 928
	Capitalised Lease Liability - At amortised cost	363 597
	Hire Purchase	169 020
		11 199 544
	Current Portion transferred to Current Liabilities	2 534 370
	Annuity Loans - At amortised cost	2 152 530
	Capitalised Lease Liability - At amortised cost	212 819
	Hire Purchase	169 020
	Total Long-term Liabilities - At amortised cost using the effective interest rate method	8 665 175

As previously reported
Correction of error restatement - note 37.05
Restated balance

Refer below for maturity dates of long term liabilities:

The obligations under annuity loans are scheduled below:	Minim annuity pa
Amounts payable under annuity loans:	
Payable within one year	3 083 857
Payable within two to five years	9 194 571
Payable after five years	904 709
	13 183 137
Less: Future finance obligations	(2 516 210)
Present value of annuity obligations	10 666 928

Annuity loans at amortised cost consists out of two loans and is unsecured. Interest is charged at 9.53% and 9.63% respectively. Maturity dates of these loans are respectively 31 March 2016 and 30 September 2018.

The obligations under finance leases are scheduled below:	Minim capitalised lease
Amounts payable under finance leases:	
Payable within one year	244 315
Payable within two to five years	158 775
Payable after five years	-
	403 090
Less: Future finance obligations	(39 493)
Present value of lease obligations	363 597

Finance Leases at amortised cost have maturity dates that vary from August 2012 to May 2014.

Leases are secured by Property, Plant and Equipment - refer to note 13.

Leased assets remain the property of the lessor after maturity and new lease contracts are negotiated to replace lapsed contracts.

	2012 R	Minim
The obligations under hire purchases are scheduled below:		

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

hire purchase

Amounts payable under annuity loans:

Payable within one year	176 152
Payable within two to five years	-
Payable after five years	-
	<hr/> 176 152
Less: Future finance obligations	(7 132)
Present value of hire purchase obligations	<hr/> 169 020 <hr/>

Hire purchases are calculated at a 11.50% interest rate, for a fixed term of 60 months with a maturity date of 30 April 2013.

Hire purchases are secured by Property, Plant and Equipment - refer to note 13.

Refer to Appendix A for descriptions, maturity dates and effective interest rates of structured loans and finance.

4 EMPLOYEE BENEFITS

Post Retirement Benefits - note 4.1	16 652 950
Long Service Awards - note 4.2	1 966 491
Total Non-current Employee Benefit Liabilities	<hr/> 18 619 441 <hr/>

Post Retirement Benefits

Balance 1 July	13 045 639
Current service cost	685 786
Interest Cost	1 111 335
Benefits payments	(504 560)
Actuarial Loss	2 850 802
Total post retirement benefits 30 June	<hr/> 17 189 002 <hr/>
Less: Transfer of Current Portion - Note 7	(536 052)
Balance 30 June	<hr/> 16 652 950 <hr/>

Long Service Awards

Balance 1 July	1 842 157
Current service cost	257 893
Interest Cost	135 082
Benefits payments	(190 501)
Actuarial Loss/(Gain)	137 804
Total Long Service 30 June	<hr/> 2 182 435 <hr/>
Less: Transfer of Current Portion - Note 7	(215 944)
Balance 30 June	<hr/> 1 966 491 <hr/>

TOTAL NON-CURRENT EMPLOYEE BENEFITS

Balance 1 July	14 887 796
Current service costs	943 679
Interest cost	1 246 417
Benefits payments	(695 061)
Actuarial Loss	2 988 606
Total employee benefits 30 June	<hr/> 19 371 437 <hr/>
Less: Transfer of Current Portion - Note 7	(751 996)
Balance 30 June	<hr/> 18 619 441 <hr/>

**2012
Employees**

4.1 Post Retirement Benefits

The Post Retirement Benefit Plan is a defined benefit plan, of which the members are made up as follows:

In-service (employee) members	111
Continuation members (e.g. Retirees, widows, orphans)	21
Total Members	<hr/> 132 <hr/>

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

	2012
	R
The liability in respect of past service has been estimated to be as follows:	
In-service members	8 405 224
Continuation members	8 783 778
Total Liability	17 189 002

	2010	2009
	R	R
The liability in respect of periods commencing prior to the comparative year has been estimated as follows:		
In-service members	4 172 000	3 719 000
Continuation members	6 291 000	5 609 000
	10 463 000	9 328 000

The Municipality makes monthly contributions for health care arrangements to the following medical aid schemes:

Bonitas;
LA Health
Samwumed; and
Hosmed
Keyhealth.

Key actuarial assumptions used:	2012
	%
i) Rate of interest	
Discount rate	7.91
Health Care Cost Inflation Rate	6.80
Net Effective Discount Rate	1.03

ii) Mortality rates

The PA 90 ultimate table, rated down by 1 year of age for post retirement, and the SA 85-90 table for in service employees, were used by the actuaries

iii) Normal retirement age

It has been assumed that in-service members will retire at age 61, which then implicitly allows for expected rates of early and ill-health retirement.

	2012
	R
The amounts recognised in the Statement of Financial Position are as follows:	
Present value of fund obligations	16 652 950
Net liability	16 652 950

The Municipality has elected to recognise the full increase in this defined benefit liability immediately as per GRAP 25

Reconciliation of present value of fund obligation:

Present value of fund obligation at the beginning of the year	13 045 639
Total expenses	1 292 561
Current service cost	685 786
Interest Cost	1 111 335
Benefits Paid	(504 560)

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

Actuarial Loss	2 850 802
Present value of fund obligation at the end of the year	17 189 002
Less: Transfer of Current Portion - Note 7	(536 052)
Balance 30 June	16 652 950

The liability is unfunded.

Sensitivity Analysis on the Accrued Liability

Assumption	Change	In-service members (R)	Continuation members (R)	Total (R)
Central Assumptions		8 405 224	8 783 778	17 189 002
Health care inflation	+1%	10 256 000	9 814 000	20 070 000
Health care inflation	-1%	6 948 000	7 901 000	14 849 000
Post-retirement mortality	-1 year	8 688 000	9 108 000	17 796 000
Average retirement age	-1 year	9 163 000	8 784 000	17 947 000
Withdrawal Rate	-50%	9 502 000	8 784 000	18 286 000

Sensitivity Analysis on the Current-service and Interest Costs

Assumption	Change	Current Service Cost (R)	Interest Cost (R)	Total (R)
Central Assumptions		685 786	1 111 335	1 797 121
Health care inflation	+1%	856 700	1 288 600	2 145 300
Health care inflation	-1%	553 700	966 300	1 520 000
Post-retirement mortality	-1 year	708 100	1 151 100	1 859 200
Average retirement age	-1 year	769 900	1 153 000	1 922 900
Withdrawal Rate	-50%	804 400	1 168 900	1 973 300

4.2 Long Service Bonuses

The Long Service Bonus plans are defined benefit plans.

As at year end, the following number of employees were eligible for Long Service Bonuses.

**2012
Employees**

307

The amounts recognised in the Statement of Financial Position are as follows:

Present value of fund obligations	2 182 435
Net liability	<u>2 182 435</u>

The liability in respect of periods commencing prior to the comparative year has been estimated as follows:

	2010 R	2009 R
Total liability	<u>1 779 258</u>	<u>1 532 289</u>

Key actuarial assumptions used:

**2012
%**

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

i) Rate of interest

Discount rate	6.59%
General Salary Inflation (long-term)	5.96%
Net Effective Discount Rate applied to salary-related Long Service Bonuses	0.59%

Reconciliation of present value of fund obligation:	2012
	R
Present value of fund obligation at the beginning of the year	1 842 157
Total expenses	202 474
Current service cost	257 893
Interest Cost	135 082
Benefits Paid	(190 501)
Actuarial Loss/(Gain)	137 804
Present value of fund obligation at the end of the year	2 182 435
Less: Transfer of Current Portion - Note 7	(215 944)
Balance 30 June	1 966 491
The liability is unfunded.	

Sensitivity Analysis on the Unfunded Accrued Liability

Assumption	Current Liability (R)	Change	Liability (R)
General salary inflation	2 182 435	+1%	2 356 000
General salary inflation	2 182 435	-1%	2 027 000
Average retirement age	2 182 435	-2 years	1 831 000
Average retirement age	2 182 435	+2 years	2 502 000
Withdrawal rates	2 182 435	-50%	2 731 000

Sensitivity Analysis on the Current-service and Interest Costs

Assumption	Change	Current Service Cost (R)	Interest Cost (R)	Total (R)
Central Assumptions		257 893	135 082	392 975
Health care inflation	+1%	273 894	145 722	419 616
Health care inflation	-1%	243 773	125 547	369 320
Post-retirement mortality	-2 years	238 656	113 376	352 032
Average retirement age	+2 years	284 032	154 692	438 724
Withdrawal Rate	-50%	325 817	168 519	494 336

4.3 Retirement funds

CAPE JOINT PENSION FUND

The contribution rate payable is 9% by members and 18% by Council. The last actuarial valuation performed for the year ended 30 June 2011 revealed that the fund is in a sound financial position with a funding level of 100% (30 June 2010 - 100%).

Contributions paid recognised in the Statement of Financial Performance	93 015
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CAPE RETIREMENT FUND

The contribution rate payable is 9% by members and 18% by Council. The last actuarial valuation performed for the year ended 30 June 2011 revealed that the fund is in a sound financial position with a funding level of 100.3% (30 June 2010 - 103.3%).

Contributions paid recognised in the Statement of Financial Performance	3 847 418
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DEFINED CONTRIBUTION FUNDS

Council contribute to the National Fund for Municipal Workers, Municipal Council Pension Fund, and SAMWU National Provident Fund which are defined contribution funds. The retirement benefit fund is subject to the Pension Fund Act, 1956, with pension being calculated on the pensionable remuneration paid. Current contributions by Council are charged against expenditure on the basis of current service costs.

Contributions paid recognised in the Statement of Financial Performance	
National Fund for Municipal Workers	236 155

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

Municipal Councillors Pension Fund
SAMWU National Provident Fund

-

887 512

1 123 666

5 NON-CURRENT PROVISIONS

Provision for Rehabilitation of Landfill-sites

17 608 724

Total Non-current Provisions

17 608 724

As previously reported

Correction of error restatement - note 37.01

Restated Balance

Landfill Sites

Balance 1 July

16 770 214

Contribution for the year

838 511

Total provision 30 June

17 608 724

Less: Transfer of Current Portion to Current Provisions - Note 8

(2 171 679)

Balance 30 June

15 437 045

The calculation for the rehabilitation of the landfill site provision was compiled by an independent qualified engineer in order to determine the present value to rehabilitate the following landfill sites at the end of its useful life:

Location	Site Dimensions	Estimated decommission date	Cost of Rehabilitation 2012
Clanwilliam	30 222m ²	2019	4 483 059
Lambert's Bay	21 670m ²	2014	3 708 437
Citrusdal	45 000m ²	2015	5 856 647
Graafwater	3 000m ²	Rehabilitation is due	2 171 679
Elands Bay	4 000m ²	2016	1 388 903
			17 608 724

A retrospective calculation of time value of money, based on an average weighted investment rate of prime less 4%, was used.

**2012
R**

6 CONSUMER DEPOSITS

Water and Electricity Deposits

1 286 164

Total Consumer Deposits

1 286 164

The fair value of consumer deposits approximate their carrying value. Interest are not paid on these amounts.

7 CURRENT EMPLOYEE BENEFITS

Provision for Staff Leave

3 217 122

Provision for Performance Bonuses

263 410

Staff Bonuses Accrued

1 196 403

Provision for Pension Fund Shortages

-

Current Portion of Non-Current Employee Benefits

751 996

Current Portion of Post Retirement Benefits - note 4

536 052

Current Portion of Long-Service Provisions - note 4

215 944

Total Current Employee Benefits

5 428 931

The movement in current employee benefits are reconciled as follows:

Provision for Staff Leave

Balance at beginning of year

2 246 617

Contribution to current portion

1 502 539

Expenditure incurred

(552 154)

Contributions from DMA

20 120

Balance at end of year

3 217 122

Staff leave accrued to employees according to a collective agreement. Provision is made for the full cost of accrued leave at reporting date. This provision will be realised as employees take leave or when employment is terminated.

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

Provision for Performance Bonuses

Balance at beginning of year	356 511
Contribution to current portion	(93 101)
Expenditure incurred	-
Balance at end of year	263 410

Performance bonuses are being paid to Municipal Manager and Directors after an evaluation of performance by the council. There is no possibility of reimbursement.

Staff Bonuses Accrued

Balance at beginning of year	1 205 900
Contribution to current portion	1 196 403
Expenditure incurred	(1 205 900)
Balance at end of year	1 196 403

Bonuses are being paid to all municipal staff, excluding section 57 Managers. The balance at year end represent to portion of the bonus that have already vested for the current salary cycle.

Provision for Pension Fund Shortages

Balance at beginning of year	439 945
Contribution to current portion	-
Expenditure incurred	(439 945)
Balance at end of year	-

It was reported that the established investment return of the fund for the past financial year was -0.94%. Local authorities, including the Municipality, associated with the fund are under an obligation to contribute pro-rata to the fund such a sum as will make up for any shortfall between the actual earnings and an investment return of 5.5% on all its assets.

**2012
R**

Provision for TASK Evaluation

Balance at beginning of year	-
Contribution to current portion	-
Expenditure incurred	-
Balance at end of year	-

The Categorisation and Job Evaluation Wage Curves Collective Agreement became effective on 1 July 2010. Hereby all employees (excluding Municipal Manager, Section 57 Managers and contractual employees) are to receive new wage rates as a result of their jobs being evaluated as per the TASK Job Evaluation System and published by SALGBC. Qualifying employees will receive backpay as from 1 October 2009 as per clause 7.2.6 of the Collective Agreement.

8 PROVISIONS

Current Portion of Rehabilitation of Landfill-sites - note 5	2 171 679
Total Provisions	2 171 679

9 PAYABLES FROM EXCHANGE TRANSACTIONS

Trade Payables	16 278 137
Pre-paid Electricity	208 585
Sundry Creditors	625 608
Payments received in advance	1 390 361
Retentions	1 968 583
Sundry Deposits	219 849
Unknown Receipts	861 710
Accrued Interest	69 740
Total Payables from Exchange Transactions	21 622 574

As previously reported
Correction of error restatement - note 37.02
Restated balance

Payables are being recognised net of any discounts.

Payables are being paid within 30 days as prescribed by the MFMA. This credit period granted is considered to be consistent with the terms used in the public sector, through established practices and legislation. Discounting of trade and other payables on initial recognition is not deemed necessary

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

The carrying value of trade and other payables approximates its fair value.

Sundry deposits include hall, builders and housing Deposits.

Deposits amounting to R275 453 serve as security for Payables. The remainder of Payables are unsecured.

	2012 R
10 UNSPENT CONDITIONAL GOVERNMENT GRANTS AND RECEIPTS	
Unspent Grants	1 648 973
National Government Grants	116 999
Provincial Government Grants	1 531 974
Less: Unpaid Grants	575 435
National Government Grants	178 459
Provincial Government Grants	396 976
Total Conditional Grants and Receipts	1 073 538
As previously reported	
Correction of error restatement - note 37.03	
Correction of error restatement - note 37.03	
Correction of error restatement - note 37.03	
Correction of error restatement - note 37.03	
Restated balance	
Refer to Appendix "B" for reconciliation of grants from other spheres of government. The Municipality complied with the conditions attached to all grants received to the extent of revenue recognised.	
11 UNSPENT PUBLIC CONTRIBUTIONS	
Lotto Funds - Sport facilities (Citrusdal)	-
Lotto Funds - Sport facilities (Elands Bay)	2 409
Total Unspent Public Contributions	2 409
Reconciliation of public contributions:	
<u>Lotto Funds - Sport facilities (Citrusdal)</u>	
Opening balance	16 359
Contributions received	-
Conditions met - Transferred to revenue	-
Funds transferred from Elands Bay Project	(16 359)
Closing balance	-
<u>Lotto Funds - Sport facilities (Elands Bay)</u>	
Opening balance	(173 323)
Contributions received	-
Conditions met - Transferred to revenue	154 555
Funds transferred to Citrusdal Project	16 359
Closing balance	(2 409)
<u>Total Public Contributions</u>	
Opening balance	(156 964)
Contributions received	-

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

Conditions met - Transferred to revenue

154 555

(2 409)

Disclosed as follows:

Unspent Public Contributions

2 409

Unpaid Public Contributions

-

2 409

12

TAXES

VAT Receivable

425 392

VAT Output in Suspense

(2 779 071)

VAT Input in Suspense

1 442 189

Net VAT Receivable/(Payable)

(911 490)

VAT is receivable/payable on the cash basis.

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

		2012 R
14	INVESTMENT PROPERTY	
	Net Carrying amount at 1 July	41 951 571
	Cost	42 254 350
	As previously reported	
	Correction of error restatement - note 37.04	
	Accumulated Depreciation	(302 779)
	As previously reported	
	Correction of error restatement - note 37.04	
	Depreciation for the year	(10 541)
	As previously reported	
	Correction of error restatement - note 37.04	
	Net Carrying amount at 30 June	41 941 030
	Cost	42 254 350
	Accumulated Depreciation	(313 320)
	The properties don't meet service delivery objectives nor could it be utilized for the production or supply of goods or services, and are solely held for	
	There are no restrictions on the realisability of Investment Property or the remittance of revenue and proceeds of disposal.	
	There are no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.	
15	INTANGIBLE ASSETS	
	Net Carrying amount at 1 July	325 422
	Cost	442 492
	As previously reported	
	Correction of error restatement - note 37.06	
	Accumulated Amortisation	(117 070)
	As previously reported	
	Correction of error restatement - note 37.06	
	Additions	524 037
	Amortisation	(40 141)
	As previously reported	
	Correction of error restatement - note 37.06	
	Disposals	(81 497)
	Cost	(152 958)
	Accumulated Amortisation	71 461
	Net Carrying amount at 30 June	727 821
	Cost	813 571
	Accumulated Amortisation	(85 750)
	No intangible asset were assessed having an indefinite useful life.	
	There are no internally generated intangible assets at reporting date.	
	There are no intangible assets whose title is restricted.	
	There are no intangible assets pledged as security for liabilities	
	There are no contractual commitments for the acquisition of intangible assets.	
		2012 R
16	INVENTORY	
	Maintenance Materials - at cost	1 400 254

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

Water – at cost	123 947
Land held for sale	1 567 540
Total Inventory	3 091 742
As previously reported	
Correction of error restatement - note 37.07	
Correction of error restatement - note 37.07	
Restated Balance	
Consumable stores materials written down due to losses as identified during the annual stores counts.	239
Inventory recognised as an expense during the year	1 165 642

17

RECEIVABLES FROM EXCHANGE TRANSACTIONS

Electricity	13 528 417
Water	8 752 149
Refuse	3 586 113
Sewerage	6 155 616
Loan Installments	45 693
Other	628 340
Payments made in advance	-
Total Receivables from Exchange Transactions	32 696 327
Less: Allowance for Doubtful Debts	(9 514 653)
Total Net Receivables from Exchange Transactions	23 181 674

Consumer debtors are payable within 30 days. This credit period granted is considered to be consistent with the terms used in the public sector, through established practices and legislation. Discounting of trade and other receivables on initial recognition is not deemed necessary. Interest of prime +2% is levied on late payments.

Reconciliation of Provision for Bad Debts

Balance at beginning of year	8 005 832
Contribution to provision	2 154 654
Bad Debts Written Off	(645 833)
Balance at end of year	9 514 653

Concentrations of credit risk with respect to trade receivables are limited due to the Municipality's large number of customers. The Municipality's historical experience in collection of trade receivables falls within recorded allowances. Due to these factors, management believes that no additional risk beyond amounts provided for collection losses is inherent in the Municipality's trade receivables.

Service Receivables	Gross Balance R	Allowance for Doubtful Debts R
Electricity	13 528 417	(2 784 002)
Water	8 752 149	(2 953 047)
Refuse	3 586 113	(1 016 052)
Sewerage	6 155 616	(2 349 979)
Loan Installments	45 693	-
Other	628 340	(411 573)
Total	32 696 327	(9 514 653)

Ageing of Receivables from Exchange Transactions:

Electricity: Ageing

Current (0 - 30 days)	6 489 060
31 - 60 Days	919 342
61 - 90 Days	702 974
+ 90 Days	5 417 042

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

Total	13 528 417
<hr/>	
<u>Water: Ageing</u>	
Current (0 - 30 days)	1 794 263
31 - 60 Days	519 550
61 - 90 Days	463 655
+ 90 Days	5 974 681
Total	8 752 149
<hr/>	
<u>Refuse: Ageing</u>	
Current (0 - 30 days)	427 897
31 - 60 Days	248 363
61 - 90 Days	191 790
+ 90 Days	2 718 063
Total	3 586 113
<hr/>	
<u>Sewerage: Ageing</u>	
Current (0 - 30 days)	580 429
31 - 60 Days	348 300
61 - 90 Days	282 604
+ 90 Days	4 944 283
Total	6 155 616
<hr/>	
<u>Other: Ageing</u>	
Current (0 - 30 days)	57 356
31 - 60 Days	27 604
61 - 90 Days	44 811
+ 90 Days	498 569
Total	628 340
<hr/>	
<u>Loan Instalments: Ageing</u>	
Current (0 - 30 days)	1
31 - 60 Days	1
61 - 90 Days	1
+ 90 Days	45 688
	45 693
<hr/>	
<u>Total: Ageing</u>	
Current (0 - 30 days)	9 349 007
31 - 60 Days	2 063 160
61 - 90 Days	1 685 834
+ 90 Days	19 598 327
Total	32 696 327
<hr/>	

**2012
R**

18 RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS

Rates	16 294 536
Other Receivables	2 247 164
Payments in advance	-
Suspense Debtors	1 971 711
Deposits	275 453
Total Receivables from Non-Exchange Transactions	18 541 699
Less: Allowance for Doubtful Debts	(10 701 811)
Total Net Receivables from Non-Exchange Transactions	7 839 889

Rates are payable monthly within 30 days after the date of accounts. An option to pay rates annually is also available and the account must be settled on or before 30 September. This credit period granted is considered to be consistent with the terms used in the public sector, through established practices and legislation. Discounting of trade and other receivables on initial recognition is not deemed necessary. Interest

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

of prime +2% is levied on late payments.

Reconciliation of Provision for Bad Debts

Balance at beginning of year	4 503 280
Contribution to provision	6 211 998
Bad Debts Written Off	(13 467)
Balance at end of year	10 701 811

Concentrations of credit risk with respect to trade receivables are limited due to the Municipality's large number of customers. The Municipality's historical experience in collection of trade receivables falls within recorded allowances. Due to these factors, management believes that no additional risk beyond amounts provided for collection losses is inherent in the Municipality's trade receivables.

	Gross Balance R	Allowance for Doubtful Debts R
Property rates and other receivables		
Rates	16 294 536	(10 701 811)
Other Receivables	2 247 164	-
Total	18 541 699	(10 701 811)

Ageing of Receivables from Non-Exchange Transactions

(Rates): Ageing

Current (0 - 30 days)	1 828 825
31 - 60 Days	968 502
61 - 90 Days	737 479
+ 90 Days	12 759 730
Total	16 294 536

(Other Receivables): Ageing

Current (0 - 30 days)	-
31 - 60 Days	-
61 - 90 Days	-
+ 90 Days	2 247 164
Total	2 247 164

(Total): Ageing

Current (0 - 30 days)	1 828 825
31 - 60 Days	968 502
61 - 90 Days	737 479
+ 90 Days	15 006 894
Total	18 541 699

**2012
R**

19 OPERATING LEASE ARRANGEMENTS

19.1 The Municipality as Lessee (Liability)

Balance on 1 July	14 340
Movement during the year	(6 134)
Balance on 30 June	8 206

At the Statement of Financial Position date, where the Municipality acts as a lessee under operating leases, it will pay operating lease expenditure as follows:

Up to 1 Year	19 276
1 to 5 Years	-
More than 5 Years	-
Total Operating Lease Arrangements	19 276

Operating leases consist only out of an agreement with Elandsbaai Handelhuis for the rental of R3 028 per month for a building using it as a library.

The lease is for a period of 73 months and the contract lapse on 31 January 2013. The lease payment escalate at a rate of 10% per annum. The renewal of the lease after January 2013 is available.

The Municipality does not engage in any sub-lease arrangements.

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

The Municipality did not pay any contingent rent during the year.

19.2 The Municipality as Lessor (Asset)

Balance on 1 July	65 699
Movement during the year	2 674
Balance on 30 June	68 372

At the Statement of Financial Position date, where the Municipality acts as a lessor under operating leases, it will receive operating lease income as follows:

Up to 1 Year	
1 to 5 Years	
More than 5 Years	-
Total Operating Lease Arrangements	-

This lease income was determined from contracts that have a specific conditional income and does not include lease income which has a undetermined conditional income.

The leases are in respect of land and buildings being leased out to 6 different lessors for periods ranging from 2006 until 2016. Escalation between 8 and 10% are applicable on the leases. The renewal option after lapsing of the contracts are available.

The Municipality does not engage in any sub-lease arrangements.

The Municipality did not receive any contingent rent during the year

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CASH AND CASH EQUIVALENTS

**2012
R**

Assets

Call Investments Deposits	-
Bank Accounts	5 543 804
Cash Floats	6 230
Total Cash and Cash Equivalents - Assets	5 550 034

Cash and cash equivalents comprise of cash held and short term deposits. The carrying amount of these assets approximates their fair value.

No bank overdraft and/or borrowing facility arrangement exists.

The Municipality has the following bank accounts:

Current Accounts

Primary Bank Account	5 543 804
	5 543 804
Cash book balance at beginning of year	16 024 293
Cash book balance at end of year	5 543 804

The cash book (primary bank account) consists out of the following accounts:

ABSA - Account number 40-5357-8397 (Current Account)

Bank statement balance at beginning of year	15 971 918
Bank statement balance at end of year	4 978 596

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

ABSA - Account number 40-7639-1003 (Traffic Account)

Bank statement balance at beginning of year	-
Bank statement balance at end of year	-

ABSA - Account number 40-7639-1273 (Service Account)

Bank statement balance at beginning of year	-
Bank statement balance at end of year	-

ABSA - Account number 40-7873-7035 (Elands Bay Fish Factory Account)

Bank statement balance at beginning of year	-
Bank statement balance at end of year	100 394

Summary of all bank accounts

Bank statement balance at beginning of year	15 971 918
Bank statement balance at end of year	5 078 990

Call Investment Deposits

Call investment deposits consist out of the following accounts:

Standard Bank - Acc nr 088896978007	-
	-

21

PROPERTY RATES

**2012
R**

Actual

Rateable Land and Buildings	37 545 712
Less: Rebates	(13 514 691)

Total Assessment Rates	24 031 021
-------------------------------	-------------------

Valuations - 1 JULY 2008

Rateable Land and Buildings

General	4 091 537 961
---------	---------------

Total Assessment Rates	4 091 537 961
-------------------------------	----------------------

Valuations on land and buildings are performed every four years. The last valuation came into effect on 1 July 2008. Intrim valuations are processed on an annual basis to include changes in property values and subdivisions.

Rates:

General Valuation	0.932c/R
-------------------	----------

Rates are levied monthly and annually. Monthly rates are payable by the end of the month in which the amount was levied and annual rates are payable before 30 September. Interest is levied at the prime rate plus 1% on outstanding monthly rates.

Rebates can be defined as any income that the Municipality is entitled by law to levy, but which has subsequently been forgone by way of rebate or remission.

22

OTHER TAXES

Infrastructure Levy	1 295 348
Town Cleanup Levy	1 333 618

Total Other Taxes	2 628 965
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The infrastructure levy is a fixed levy on residential and commercial property. This levy is used for maintaining and extending infrastructure.

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

The town cleanup levy is also a fixed levy on residential and commercial property. This levy is used clean towns.

23

GOVERNMENT GRANTS AND SUBSIDIES

Unconditional Grants

Equitable Share
Provincial Health Subsidy

23 024 715

23 008 783
15 932

Conditional Grants

Financial Management Grant (FMG)
Municipal Systems Improvement Grant (MSIG)
Municipal Infrastructure Grant (MIG)
Housing Grants
Integrated National Electrification Grant
Other Grants

42 072 515

1 250 000
811 812
12 993 145
7 506 617
-
19 510 941

Total Government Grants and Subsidies

65 097 230

Government Grants and Subsidies - Capital
Government Grants and Subsidies - Operating

36 554 225
28 543 005

Total Government Grants and Subsidies

65 097 230

As previously reported
Correction of error restatement - note 37.03
Correction of error restatement - note 37.03
Correction of error restatement - note 37.03

Restated balance

**2012
R**

Revenue recognised per vote as required by Section 123 (c) of the MFMA:

Equitable share	23 008 783
Executive & Council	383 642
Budget & Treasury	4 653 502
Corporate Services	22 625
Planning & Development	1 932 832
Health	15 932
Community & Social Services	2 401 286
Housing	4 602 346
Public Safety	5 000
Sport & Recreation	197 538
Waste Water Management	7 833 539
Road Transport	3 586 481
Water	16 608 280
Electricity	-
	65 251 788

The Municipality does not expect any significant changes to the level of grants.

23.1 Equitable share

Opening balance	-
Grants received	23 008 783
Conditions met - Operating	(23 008 783)
Conditions met - Capital	-
Conditions still to be met	-

The Equitable Share is the unconditional share of the revenue raised nationally and is being allocated in terms of Section 214 of the Constitution (Act 108 of 1996) to the Municipality by the National Treasury.

23.2 Health Subsidy

Opening balance	-
Grants received	15 932
Conditions met - Operating	(15 932)
Conditions met - Capital	-
Conditions still to be met	-

Health subsidies was used fund primary health care services in the municipal area.

23.3 Financial Management Grant (FMG)

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

Opening balance	-
Grants received	1 250 000
Conditions met - Operating	(1 250 000)
Conditions still to be met	-

The Financial Management Grant is paid by National Treasury to municipalities to help implement the financial reforms required by the Municipal Finance Management Act (MFMA), 2003. The FMG Grant also pays for the cost of the Financial Management Internship Programme (e.g. salary costs of the Financial Management Interns).

23.4 Municipal Systems Improvement Grant (MSIG)

Opening balance	33 811
Grants received	790 000
Conditions met - Operating	(811 812)
Conditions met - Capital	-
Conditions still to be met	11 999

The MSIG was used for building in-house capacity to perform municipal functions and stabilise institutional and governance systems.

**2012
R**

23.5 Municipal Infrastructure Grant (MIG)

Opening balance	638 323
Grants received	12 814 002
Conditions met - Operating	(588 794)
Conditions met - Capital	(12 404 351)
Paid back to Treasury	(616 000)
Conditions still to be met	(156 820)

The grant was used to upgrade infrastructure in previously disadvantaged areas.

23.6 Housing Grants

Opening balance	3 310 327
Grants received	4 944 290
Conditions met - Operating	(2 913 502)
Conditions met - Capital	(4 593 115)
Conditions still to be met	748 000

Housing grants was utilised for the development of erven and the erection of top structures.

23.7 Integrated National Electrification Grant

Opening balance	(2 233 217)
Grants received	2 800 000
Conditions met - Operating	-
Conditions met - Capital	-
Paid back to Treasury	(566 783)
Grant Expenditure to be recovered	-

The National Electrification Grant was used for electrical connections in previously disadvantaged areas.

23.8 Other Grants

Opening balance	1 261 206
Grants received	18 720 097
Conditions met - Operating	(7 965 402)
Conditions met - Capital	(11 545 539)
Conditions still to be met	470 362

Various grants were received from other spheres of government (e.g. Library fund and Skills Development Grant)

23.9 Total Grants

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

Opening balance	3 010 447
Grants received	64 343 104
Conditions met - Operating	(36 554 225)
Conditions met - Capital	(28 543 005)
Paid back to Treasury	(1 182 783)
Conditions still to be met	1 073 538

Disclosed as follows:

Unspent Conditional Government Grants and Receipts	1 648 973
Unpaid Conditional Government Grants and Receipts	(575 435)
	1 073 538

**2012
R**

24

FINES

Speeding fines (Camera)	3 030 585
Other traffic fines	292 100
Library fines	8 816
Meter tampering fines	5 492
Total Fines	3 336 994

25

SERVICE CHARGES

Electricity	50 994 256
Water	12 147 069
Refuse removal	4 479 864
Sewerage and Sanitation Charges	6 656 645
	74 277 833
Less: Rebates	(4 555 394)
Total Service Charges	69 722 439

Rebates can be defined as any income that the Municipality is entitled by law to levy, but which has subsequently been forgone by way of rebate or remission.

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RENTAL OF FACILITIES AND EQUIPMENT

Clanwilliam Resort	879 789
Elands Bay Resort	187 716
Lamberts Bay Resort	1 290 270
Ramskop Nature Garden	55 470
Other rentals	308 846
Total Rental of Facilities and Equipment	2 722 091

Other rentals include the rental of halls, sports facilities, hawkers stands, buildings, slipways and other diverse items.

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OTHER INCOME

Building Plan Fees	156 424
Sundry Income	257 983
Cemetery Fees	85 241
Rates clearance certificates	17 673
Connection Fees	227 548
Re-connection Fees	26 632
Copies and Faxes	22 967
Sale of Land	101 103
SETA Recoveries	218 924
Settlement Discounts	123 846
Valuation Certificates	10 972
Tender Documents	10 584
Total Other Income	1 259 897

Sundry income represents sundry income such as sale of sundry items (wood, sand and stones) and fees for items not included under service charges

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

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EMPLOYEE RELATED COSTS

**2012
R**

Bargaining Council Levy	14 970
Bonuses	2 229 970
Contribution to current employee benefits - Staff Leave - note 5	1 502 540
Contribution to non-current employee benefits - Long Service Awards - note 4	257 893
Contribution to non-current employee benefits - Post Retirement Medical - note 4	685 786
Contributions for UIF, pensions and medical aids	6 906 995
Group Life Insurance	638 626
Housing Subsidy	198 893
Overtime	2 029 834
Performance Bonuses	(93 101)
Salaries and Wages	35 070 818
SDL Contributions	413 010
Travel, motor car, telephone, assistance and other allowances	4 472 011
Workmen's Compensation	326 085
Total Employee Related Costs	54 654 328

As previously reported

Correction of error restatement - note 37.09

Restated balance

KEY MANAGEMENT PERSONNEL

The Municipal Manager and Directors are appointed on a 5-year fixed contract.

REMUNERATION OF KEY MANAGEMENT PERSONNEL

Municipal Manager - G.F. Matthyse (resigned November 2011)

Annual Remuneration	249 643
Performance Bonuses	-
Car Allowance	68 234
Other allowance	9 378
Contributions to UIF, Medical, Pension Funds and Bargaining Council	4 859
Leave days paid out	98 571
Severance Package	736 326
Total	1 167 011

Municipal Manager - I.B.R Kenned (appointed January 2012)

Annual Remuneration	488 250
Car Allowance	111 000
Contributions to UIF, Medical, Pension Funds and Bargaining Council	6 802
Total	606 052

Director: Engineering Services - A.S.T Nxhumalo (resigned February 2012)

Annual Remuneration	387 842
Performance Bonuses	-
Acting allowance	-
Car Allowance	6 000
Other allowance	-
Contributions to UIF, Medical, Pension Funds and Bargaining Council	92 937
Leave days paid out	102 802
Severance Package	247 635
Total	837 216

Director: Engineering Services - P Majeni (appointed May 2012)

Annual Remuneration	87 178
Acting Allowance	12 526
Car Allowance	20 130
Other Allowances	12 000
Contributions to UIF, Medical, Pension Funds and Bargaining Council	17 267

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

Leave paid out	11 807
Total	160 909

**2012
R**

Director: Corporate Services - W.G.D October (appointed December 2011)

Annual Remuneration	305 263
Acting Allowance	6 898
Car Allowance	105 000
Contributions to UIF, Medical, Pension Funds and Bargaining Council	67 022
Total	484 184

Director: Community Services - J France (appointed February 2012)

Annual Remuneration	263 219
Car Allowance	75 000
Contributions to UIF, Medical, Pension Funds and Bargaining Council	3 893
Total	342 112

Director: Finance - F.M. Lotter (resigned December 2011)

Annual Remuneration	284 546
Performance Bonuses	-
Car Allowance	93 600
Other Allowances	-
Contributions to UIF, Medical, Pension Funds and Bargaining Council	21 637
Lumpsum payout	581 054
Total	980 837

Director: Finance - E Alfred (appointed May 2012)

Annual Remuneration	95 098
Car Allowance	20 000
Contributions to UIF, Medical, Pension Funds and Bargaining Council	21 243
Total	136 342

29 REMUNERATION OF COUNCILLORS

Mayor	586 031
Deputy Mayor	477 198
Speaker	477 198
Mayoral Committee Members	875 751
Councillors	1 153 009
Total Councillors' Remuneration	3 569 187

In-kind Benefits

The Executive Mayor, Deputy Mayor, Speaker and Mayoral committee Members serve in a full-time capacity. They are provided with secretarial support and office accommodation at the cost of the Council.

Councillors may utilize municipal transportation when engaged in official duties

30 DEBT IMPAIRMENT

Trade Receivables from exchange transactions - Note 17	2 154 654
Trade Receivables from non-exchange transactions - Note 18	6 211 998
Total Contribution to Debt Impairment	8 366 652

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

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CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

Budget & Treasury	1 739 986
Community & Social Services	2 365 386
Executive & Council	319 312
Housing	2 922 738
Planning & Development	2 226 979
Road Transport	1 644 532
Sport & Recreation	42 984
Water	1 551 156
Waste Water Management	1 143 409
Total Operating Grant Expenditure	13 956 482

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GENERAL EXPENSES

Advertising	375 118
Asset Stocktake	196 593
Audit Fees	1 797 531
Bank Charges	317 912
Chemicals	230 656
Cleaning Materials	93 548
Commission paid	983 595
Connection Materials	108 086
Consulting Fees	1 871 489
Entertainment	347 390
Fine collections	1 270 350
Fuel and Oil	2 488 677
Insurance	407 465
Insurance claims	70 834
Legal Fees	1 097 478
Licences	123 465
Licences Software	1 589 989
Membership Fees	692 368
Moving Expenses	352 922
Performance Management System	183 524
Postal Fees	307 446
Printing and Stationary	450 672
Protective clothing	158 568
Sample Tests	83 490
Security	1 056 817
Special Programmes	2 114 657
Telephone	1 556 579
Tourism	523 200
Training	431 837
Travelling and Subsistence	1 298 047
Valuations	1 064 486
Vehicle Licences	119 335
Other Expenditure	2 324 121
Total General Expenses	26 088 245

As previously reported

Correction of error restatement - note 37.01

Correction of error restatement - note 37.02

Correction of error restatement - note 37.05

Correction of error restatement - note 37.08

Restated balance

Special Programmes include poverty relief programmes, celebration of national holidays, public participation, ward based community programmes and other projects funded from own revenue.

37

CORRECTION OF ERROR IN TERMS OF GRAP 3

37.01 Non-Current Provision

The current year's valuations from the independent qualified engineer indicated that there were minor errors in the previous year's provision for the rehabilitation of landfill sites. These minor errors were due to the estimated decommissioning dates of the sites which were longer than anticipated in the prior year. Furthermore, the contributions to the provision were also reclassified from General Expenses to Finance Charges.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

Refer to General Expenses - note 36
 Refer to Finance Charges - note 33
 Refer to Accumulated Surplus - 1 July 2010 - note 37.11
 Refer to Non-Current Provision - note 5

37.02 Payables from Exchange Transactions

During the year invoices were received relating to prior year. These invoices were not accrued for on 30 June 2011. Accordingly, Payables from Exchange Transactions, General Expenses and Bulk Purchases were understated, while Accumulated Surplus were overstated.

Refer to Payables from Exchange Transactions - note 9
 Refer to Bulk Purchases - note 34
 Refer to General Expenses - note 36
 Refer to Accumulated Surplus - 1 July 2010 - note 37.11

37.03 Unspent Conditional Government Grants and Receipts

The following errors were noted and corrected:

Grant income not recognised where conditions were met - refer to note 10 and note 23

Integrated National Electrification Programme
 Accumulated Surplus - 1 July 2010 - note 37.11
 National Government Grants
 Provincial Government Grants

Grant income recognised where conditions were not met - refer to note 10 and note 23

Municipal Infrastructure Grants (MIG)
 Integrated National Electrification Programme
 Accumulated Surplus - 1 July 2010 - note 37.11
 National Government Grants
 Provincial Government Grants

37.04 Investment Property

The following errors were noted on Investment Property which related to the prior year:

- a change in useful lives of assets were also conducted which also resulted in a change in accumulated depreciation as on 1 July 2010 and depreciation for the 2010/2011 financial year.
- it was also noted that Investment Property were incorrectly classified as Property, Plant and Equipment and thus subsequently reclassified.

The effect of the above mentioned changes can be summarised as follow in the financial statements:

Refer to Depreciation and Amortisation - note 31
 Refer to Accumulated Surplus - 1 July 2010 - note 37.11

 Refer to Investment Property (Opening Balance - Cost) - note 14
 Refer to Investment Property (Opening Balance - Accumulated Depreciation) - note 14
 Refer to Investment Property (Depreciation Charge) - note 14

37.05 Property, Plant and Equipment

The following errors were noted on Property, Plant and Equipment which related to the prior year:

- a physical asset verification was conducted in May 2012 which resulted that a number of assets were not recorded on the asset register. The asset identified all relate to acquisitions prior to 1 July 2008. The depreciation replacement cost method was applied to establish the deemed cost of these assets as on 1 July 2008 as per Directive 7.
- residual values of assets were reassessed which resulted in a change in accumulated depreciation as on 1 July 2010 and depreciation for the previous financial year.
- a change in useful lives of assets were also conducted which also resulted in a change in accumulated depreciation as on 1 July 2010 and depreciation for the 2010/2011 financial year.
- assets which meet the definition of a finance leased asset were not included in the prior year's asset

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

register

- assets with a zero cost price were noticed on the asset register. The depreciation replacement cost method was applied to establish the deemed cost of these assets as on 1 July 2008 as per Directive 7.
- the unbundling of infrastructure assets for the period 1 July 2008 to 30 June 2011 were not done from the bill of quantities. All unbundling for the period from 1 July 2008 to 30 June 2011 was redone using bill of quantities.
- some assets were reclassified to Investment Property or Inventory due to the nature of the land and buildings

The effect of the above mentioned changes can be summarised as follow in the financial statements:

Refer to Finance Charges - note 33
 Refer to Long-term Liabilities - note 3
 Refer to General Expenses - note 36
 Refer to Statement of Financial Performance (Loss on Disposal of Property, Plant and Equipment) - note 37.10
 Refer to Depreciation and Amortisation - note 31
 Refer to Impairments - note 32
 Refer to Inventory - note 16
 Refer to Accumulated Surplus - 1 July 2010 - note 37.11

Refer to Property, Plant and Equipment (Cost - Opening Balance) - note 13
 Refer to Property, Plant and Equipment (Cost - Additions) - note 13

Refer to Property, Plant and Equipment (Accumulated Depreciation - Opening Balance) - note 13
 Refer to Property, Plant and Equipment (Accumulated Depreciation - Depreciation Charge) - note 13
 Refer to Property, Plant and Equipment (Accumulated Depreciation - Impairment Charge) - note 13

37.06 Intangible Assets

The following errors were noted on Intangible Assets which related to the prior year:

- a physical asset verification was conducted in May 2012 which resulted that a number of assets were not recorded on the asset register. The asset identified all relate to acquisitions prior to 1 July 2008. The depreciation replacement cost method was applied to establish the deemed cost of these assets as on 1 July 2008 as per Directive 7.
- a change in usefull lives of assets were also conducted which also reslulted in a change in accumulated depreciation as on 1 July 2010 and depreciation for the 2010/2011 financial year.

The effect of the above mentioned changes can be summarised as follow in the financial statements:

Refer to Depreciation and Amortisation - note 31
 Refer to Accumulated Surplus - 1 July 2010 - note 37.11

Refer to Intangible Assets (Opening Balance - Cost) - note15
 Refer to Intangible Assets (Opening Balance - Accumulated Depreciation) - note15
 Refer to Intangible Assets (Amortisation) - note15

37.07 Inventory

It was noted that a minor error amounting to R118 occurred when the 2009/10 stock module was interfaced with the general ledger. Controls have been implemented to insure accurate interfacing. Furthermore, stock take adjustments amounting to R12 226 which relate to 2010/11 were also corrected in the current year.

Refer to Inventory - note 16
 Refer to Statement of Financial Performance (Stock Adjustments) - note 37.10
 Refer to Accumulated Surplus - 1 July 2010 - note 37.11

37.08 Contracted Services

In the current year Contracted Services were reclassified to General Expense as the expenditure items included in Contracted Services to not meet the definition of Contracted Services.

Refer to General Expenses - note 36
 Refer to Statement of Financial Performance (Contracted Services) - note 37.10

37.09 Finance Charges

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

In the the prior year, finance charges related to Employee Benefits were disclosed as Employee Related Costs. In the current year these finance charges were reclassified and disclosed as Finance Charges.

Refer to Finance Charges - note 33
Refer to Employee Related Costs - note 28

37.10 Statement of Financial Performance

Stock Adjustments

As previously reported
Refer to Inventory - note 37.07

Contracted Services

As previously reported
Refer to Contracted Services - note 37.08

Loss on disposal of Property, Plant and Equipment

As previously reported
Refer to Contracted Services - note 37.05

37.11 Accumulated Surplus - 1 July 2010

Non-Current Provision - note 37.01
Payables from Exchange Transactions - note 37.02
Unspent Conditional Government Grants and Receipts - note 37.03
Unspent Conditional Government Grants and Receipts - note 37.03
Property, Plant and Equipment - note 37.05
Investment Property - note 37.04
Intangible Assets - note 37.06
Inventory - note 37.07

38

RECONCILIATION BETWEEN SURPLUS FOR THE YEAR AND CASH GENERATED BY OPERATIONS

2012
R

Surplus/(Deficit) for the year	(6 213 687)
Adjustments for:	
Depreciation and amortisation	18 205 303
Impairments	7 895
Loss on disposal of Property, Plant and Equipment	2 192 865
Contribution from/to employee benefits - non-current	2 190 096
Contribution from/to employee benefits - non-current - expenditure incurred	(695 061)
Contribution from/to employee benefits - non-current - net actuarial losses/(gains)	2 988 606
Contribution to employee benefits – current	2 625 960.93
Contribution to employee benefits – current - expenditure incurred	(2 197 999)
Contribution to provisions – non-current	838 511
Contribution to provisions – bad debt	8 366 652
Bad debts written off	(659 300)
Operating lease income accrued	(2 674)
Operating lease expenses accrued	(6 134)
Grants Received	64 343 104
Grant Expenditure and Transfers	(65 097 230)
Grants paid back to Treasury	(1 182 783)
Transfer from DMA	(3 752 533)
Operating Surplus before changes in working capital	21 951 591
Changes in working capital	(11 999 964)
Increase/(Decrease) in Payables from Exchange Transactions	(1 952 332)
Increase/(Decrease) in Unspent Public Contributions	(170 914)
Increase/(Decrease) in Taxes	3 205 349
(Increase)/Decrease in Inventory	188 738
(Increase)/Decrease in Trade and other Receivables	(13 287 164)

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

(Increase)/Decrease in Unpaid Public Contributions

16 359

Cash generated by operations

9 951 627

39 CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the cash flow statement comprise the following:

Call Investments Deposits - note 20

-

Cash Floats - note 20

6 230

Bank - note 20

5 543 804

Total cash and cash equivalents

5 550 034

40 RECONCILIATION OF AVAILABLE CASH AND INVESTMENT RESOURCES

Cash and Cash Equivalents - Note 39

5 550 034

Less:

4 428 044

Unspent Committed Conditional Grants - Note 10

1 648 973

VAT - Note 12

2 779 071

Resources available for working capital requirements

1 121 991

41 UTILISATION OF LONG-TERM LIABILITIES RECONCILIATION

Long-term Liabilities - Note 3

11 199 544

Used to finance property, plant and equipment - at cost

(11 199 544)

Cash set aside for the repayment of long-term liabilities

-

Cash invested for repayment of long-term liabilities

-

Long-term liabilities have been utilized in accordance with the Municipal Finance Management Act.

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

43

UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE DISALLOWED

2012
R

43.1

Unauthorised expenditure

Reconciliation of unauthorised expenditure:

Opening balance	27 146 759
Unauthorised expenditure current year - capital	4 824 258
Unauthorised expenditure current year - operating	23 145 369
Written off by council	-
Transfer to receivables for recovery	-
Unauthorised expenditure awaiting authorisation	55 116 386

Incident	Disciplinary steps/criminal proceedings
Overspending of total amounts appropriated per vote in the approved budget	None

43.2

Fruitless and wasteful expenditure

Reconciliation of fruitless and wasteful expenditure:

Opening balance	-
Fruitless and wasteful expenditure current year	399 260
Written off by council	-
Transfer to receivables for recovery	-
Fruitless and wasteful expenditure awaiting further action	399 260

Incident	Disciplinary steps/criminal proceedings
Employee who was terminated in November 2011, was still paid a salary for December 2011 and January 2012	None
Settlement of unfair dismissal and associated legal fees.	None

43.3

Irregular expenditure

Reconciliation of irregular expenditure:

Opening balance	90 961
Irregular expenditure current year	-
Written off by council	-
Transfer to receivables for recovery	-
Irregular expenditure awaiting further action	90 961

Incident	Disciplinary steps/criminal proceedings
None	None

No criminal proceedings have been instituted

43.4

Material Losses

Water distribution losses

- Kilo litres disinfected/purified/purchased	3 250 051
- Kilo litres lost during distribution	1 084 232
- Percentage lost during distribution	33.36

Electricity distribution losses

- Units purchased (Kwh)	61 059 718
- Units lost during distribution (Kwh)	11 494 670
- Percentage lost during distribution	18.83

The high distribution losses is largely due to internal usage (street lightning etc.which are not metered)

44

ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT1

2012
R

44.1

Contributions to organised local government - [MFMA 125 (1)(b)] - SALGA CONTRIBUTIONS

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

Opening balance	-
Council subscriptions	246 511
Amount paid - current year	(246 511)
Amount paid - previous years	-
Balance unpaid (included in creditors)	-

44.2 Audit fees - [MFMA 125 (1)(b)]

Opening balance	-
Current year audit fee	2 004 194
External Audit - Auditor-General Audit Committee	1 966 424 37 770
Amount paid - current year	(2 004 194)
Amount paid - previous year	-
Balance unpaid (included in creditors)	-

44.3 VAT - [MFMA 125 (1)(b)]

Opening balance	1 547 110
Amounts received - current year	(4 962 101)
Amounts claimed - current year	3 840 383
Closing balance - Receivable	425 392

VAT is payable/receivable on the cash basis. VAT is only paid over to SARS once cash is received from debtors and only claimed from SARS once payment is made to creditors.

44.4 PAYE, SDL and UIF - [MFMA 125 (1)(b)]

Opening balance	-
Current year payroll deductions and Council Contributions	8 129 169
Amount paid - current year	(8 129 169)
Balance unpaid (included in creditors)	-

44.5 Pension and Medical Aid Deductions - [MFMA 125 (1)(b)]

Opening balance	-
Current year payroll deductions and Council Contributions	10 578 983
Amount paid - current year	(10 578 983)
Balance unpaid (included in creditors)	-

44.6 Councillor's arrear consumer accounts - [MFMA 124 (1)(b)]

The following Councillors had arrear accounts for more than 90 days as at 30 June 2012:

	2012 R Outstanding more than 90 days
Councillor S Newman	-
Councillor D Smith	-
Councillor A Scheepers	642
Councillor J Barnard	665
Total Councillor Arrear Consumer Accounts	1 307

42.7 Other non-compliance (MFMA 125(2)(e))

Deviations from, and ratifications of minor breaches of the Procurement Processes due to Specialised Services, Advertising, Accommodation, Sole Suppliers, Emergencies, Breakdowns, Strip and Quotes:

All the deviations were ratified by the Municipal Manager and reported to Council.

Sole Providers	538 232
Specialised Services	3 861 920
Advertising	298 103

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

Catering and Accommodation	257 748
Emergencies	719 454
	5 675 457
Municipal Manager's Office	602 885
Finance Department	431 073
Corporate Services	1 481 775
Community Services	1 257 812
Technical & Engineering Services	1 901 912
	5 675 457

45

CAPITAL COMMITMENTS

Commitments in respect of capital expenditure:

Approved and contracted for:	29 238 839
------------------------------	-------------------

Total commitments consist out of the following:

Citrusdal Waste Water Treatment Works	-
Upgrading of Clanwilliam Roads Phase 1	-
Upgrading of Lamberts Bay Bulk Water Supply 3ML Reservoir	164 548
Civil Infrastructure Lamberts Bay Desalination Plant	10 175 567
Electrical Reticulation Lamberts Bay Desalination Plant	655 927
Supply and Delivery of 240L Wheelie Bins	-
General Valuation Roll	44 555
Water Pressure Control for Clanwilliam	212 818
Removal of Sludge from the Citrusdal and Clanwilliam Wastewater Treatment Plant	703 729
Design and build of a reverse osmosis desalination plant, Lamberts Bay	16 910 405
Supply, installation and commissioning of a quick release front loader system for tractors	340 568
Supply and delivery of concrete pavers, kerbs, edging and channeling	30 722
	29 238 839

This expenditure will be financed from:

External Loans	-
Government Grants	29 238 839
	29 238 839

2012
R

46

FINANCIAL RISK MANAGEMENT

The activities of the Municipality expose it to a variety of financial risks, including market risk (comprising fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Municipality's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Municipality's financial performance.

(a) Foreign Exchange Currency Risk

The Municipality does not engage in foreign currency transactions.

(b) Price risk

The Municipality is not exposed to price risk.

(c) Interest Rate Risk

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

As the Municipality has significant interest-bearing liabilities, the entity's income and operating cash flows are substantially dependent on changes in market interest rates.

The Municipality analyses its potential exposure to interest rate changes on a continuous basis. Different scenarios are simulated which include refinancing, renewal of current positions, alternative financing and hedging. Based on these scenarios, the entity calculates the impact that a change in interest rates will have on the surplus/deficit for the year. These scenarios are only simulated for liabilities which constitute the majority of interest bearing liabilities.

The Municipality did not hedge against any interest rate risks during the current year.

The potential impact on the entity's surplus/deficit for the year due to changes in interest rates were as follow:

1% (2011 - 0.5%) Increase in interest rates	(226 852)
0.5% (2011 - 0.5%) Decrease in interest rates	113 426

(d) Credit Risk

Credit risk is the risk that a counter party to a financial or non-financial asset will fail to discharge an obligation and cause the Municipality to incur a financial loss.

Credit risk consist mainly of cash deposits, cash equivalents, trade and other receivables and unpaid conditional grants and subsidies.

Receivables are disclosed net after provisions are made for impairment and bad debts. Trade debtors comprise of a large number of ratepayers, dispersed across different sectors and geographical areas. Ongoing credit evaluations are performed on the financial condition of these debtors. Credit risk pertaining to trade and other debtors is considered to be moderate due the diversified nature of debtors and immaterial nature of individual balances. In the case of consumer debtors the municipality effectively has the right to terminate services to customers but in practice this is difficult to apply. In the case of debtors whose accounts become in arrears, Council endeavours to collect such accounts by "levying of penalty charges", "demand for payment", "restriction of services" and, as a last resort, "handed over for collection", whichever procedure is applicable in terms of Council's Credit Control and Debt Collection Policy.

The credit quality of receivables are further assessed by grouping individual debtors into different categories with similar risk profiles. The categories include the following: Bad Debt, Deceased, Good payers, Slow Payers, Government Departments, Debtors with Arrangements, Indigents, Municipal Workers, Handed over to Attorneys and Untraceable account. These categories are then impaired on a group basis based on the risk profile/credit quality associated with the group.

Balances past due not impaired:

	2012 %	2012 R	2011 %
<u>Non-Exchange Receivables</u>			
Rates	63%	3 763 900	68%
Other Receivables	37%	2 247 164	32%
	100%	6 011 064	100%
<u>Exchange Receivables</u>			
Electricity	31%	4 255 355	31%
Water	29%	4 004 839	29%
Refuse	16%	2 142 164	12%
Sewerage	23%	3 225 208	23%
Other	1%	159 411	4%
	100%	13 786 976	100%

No receivables are pledged as security for financial liabilities.

Due to the short term nature of receivables the carrying value disclosed in note 17 and 18 of the financial statements is an approximation of its fair value. Interest on overdue balances are included at prime lending rate plus 2% where applicable.

The provision for bad debts could be allocated between the different classes of debtors as follows:

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

	2012 %	2012 R	2011 %
<u>Non-Exchange Receivables</u>			
Rates	100%	10 701 811	100%
<u>Exchange Receivables</u>			
Electricity	29%	2 784 002	23%
Water	31%	2 953 047	34%
Refuse	11%	1 016 052	13%
Sewerage	25%	2 349 979	27%
Other	4%	411 573	2%
	100%	9 514 653	100%

The Municipality only deposits cash with major banks with high quality credit standing. No cash and cash equivalents were pledged as security for financial liabilities and no restrictions were placed on the use of any cash and cash equivalents for the period under review. Although the credit risk pertaining to cash and cash equivalents are considered to be low, the maximum exposure are disclosed below.

The banks utilised by the Municipality for current and non-current investments are all listed on the JSE (ABSA Bank and Standard Bank). The credit quality of these institutions are evaluated based on their required SENS releases as well as other media reports. Based on all public communications, the financial sustainability is evaluated to be of high quality and the credit risk pertaining to these institutions are considered to be low.

The risk pertaining to unpaid conditional grants and subsidies are considered to be very low. Amounts are receivable from national and provincial government and there are no expectation of counter party default.

	2012 R
Financial assets exposed to credit risk at year end are as follows:	
Receivables from Exchange Transactions	23 181 674
Receivables from Non-exchange Transactions	7 839 889
Cash and Cash Equivalents	5 550 034
Unpaid conditional grants and subsidies	575 435
	37 147 032

(e) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying business, the treasury maintains flexibility in funding by maintaining availability under credit lines.

The Municipality's risk to liquidity is a result of the funds available to cover future commitments. The entity manages liquidity risk through an ongoing review of future commitments and credit facilities.

The table below analyses the entity's financial liabilities into relevant maturity groupings based on the remaining period at the financial year end to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Less than 1 year	Between 1 and 5 years	More than 5 years
2012			
Long-term Liabilities	3 504 324	9 353 346	904 709
Capital repayments	2 534 370	7 842 909	822 266
Interest	969 954	1 510 438	82 443
Provisions - Landfill Sites	2 171 679	12 556 572	6 308 114
Capital repayments	2 171 679	10 953 986	4 483 059
Interest	-	1 602 586	1 825 055
Payables from Exchange Transactions	21 622 574	-	-
Unspent conditional government grants and receipts	1 648 973	-	-
Unspent Public Contributions	2 409	-	-
	28 949 959	21 909 918	7 212 823
2011			

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

Long-term Liabilities	2 992 634	9 917 905	-
Capital repayments	2 068 935	8 354 367	-
Interest	923 699	1 563 538	-
Provisions - Landfill Sites	2 171 679	12 556 572	6 308 114
Capital repayments	2 068 266	10 432 368	4 269 580
Interest	103 413	2 124 204	2 038 534
Payables from Exchange Transactions	23 574 906	-	-
Unspent conditional government grants and receipts	5 545 532	-	-
Unspent Public Contributions	173 323	-	-
	34 458 074	22 474 477	6 308 114

**2012
R**

47 FINANCIAL INSTRUMENTS

In accordance with GRAP 104 the financial instruments of the Municipality are classified as follows:

47.1 Financial Assets

Financial Instruments at Amortised Cost

Receivables from Exchange Transactions	23 181 674
Receivables from Non-exchange Transactions	7 839 889
Unpaid Conditional Government Grants and Receipts	575 435
Unpaid Public Contributions	-
Cash and Cash Equivalents	5 550 034

Total carrying amount of financial assets **37 147 032**

47.2 Financial Liability

Financial Instruments at Amortised Cost

Long-term Liabilities	8 665 175
Payables from Exchange Transactions	21 622 574
Unspent Conditional Grants and Receipts	1 648 973
Unspent Public Contributions	2 409
Current Portion of Long-term Liabilities	2 534 370

Total carrying amount of financial liabilities **34 473 500**

**2012
R**

48 EVENTS AFTER THE REPORTING DATE

The Municipality do not have any events after reporting date.

49 IN-KIND DONATIONS AND ASSISTANCE

The Municipality did not receive any in-kind donations or assistance during the year under review.

50 PRIVATE PUBLIC PARTNERSHIPS

Council has not entered into any private public partnerships during the financial year.

51 CONTINGENT LIABILITY

The Municipality had the following contingent liabilities at reporting date:

A claim to an amount of R100 000 was lodge by Mike Hector for defamation of character. The Municipality's attorneys are of the opinion that this case has no merit and will be probably be settled outside of Court.

The Trade Union, IMATU, contested the implementation of a wage curve agreement in the Labour Court and the court ruled in favour of IMATU. The effect of the ruling is a general 2% increase in remuneration as from October 2009. The Employers Organisation, SALGA, resolved to take the ruling of the Labour Court on review.

52 RELATED PARTIES

Key Management and Councillors receive and pay for services on the same terms and conditions as other ratepayers / residents.

The rates, service charges and other charges are in accordance with approved tariffs that were advertised to the public. No bad debt expenses have been recognised in respect of amounts owed by related parties.

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

52.1 Related Party Loans

Since 1 July 2004 loans to councillors and senior management employees are not permitted.

52.2 Compensation of key management personnel

The compensation of key management personnel is set out in note 28 to the Annual Financial Statements.

52.3 Other related party transactions

The following purchases were made during the year where Councillors or staff have an interest:

Company Name	Related Party	Service Capacity	Relationship	2012 R
A Kotze	Mr J Kotze	LED Officer	Aunt	281 516
H Beukes	Ms A Beukes	Records Clerk	Brother	
Petula's Catering	Ms M Heins	Acting Helpdesk Clerk	Daughter	3 900
Joey's Taxi's	Mr J Sobekwa	Team Leader Technical	Sister	11 647
Colc Civil Construction	Mr H Scheepers	General Worker Technical	Brother	11 647
Goeieman Vervoer	Mrs C Mouton	PA Director Finance	Brother	27 012
R Slimmert	Ms J Slimmert	PA Deputy Mayor	Brother	
Teleios Consulting CC	Mr G Smith	Councillor	In-law farther	9 600
IBR Consultants	Mr I Kenned	Municipal Manager	Director	175 000
				520 322

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

2011
R

5 000 000

5 000 000

9 475 841

592 065

355 396

10 423 302

2 068 935

1 654 528

228 469

185 938

8 354 367

10 200 434

222 868

10 423 302

Sum
payments

2 488 824

9 333 090

11 821 914

(2 346 073)

9 475 841

Sum
se payments

285 740

403 090

688 830

(96 765)

592 065

2011
R

Sum

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

payments

218 070
181 725
-
399 795
(44 399)
355 396

12 560 875
1 599 802
14 160 677

10 463 000
612 000
1 066 000
(458 264)
1 362 903
13 045 639
(484 764)
12 560 875

1 779 258
210 178
160 071
(59 112)
(248 238)
1 842 157
(242 355)
1 599 802

12 242 258
822 178
1 226 071
(517 376)
1 114 665
14 887 796
(727 119)
14 160 677

2011
Employees

106
20
126

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

2011
R

5 696 104
7 349 535

13 045 639

2008
R

-
-
-

2011
%

8.68
7.27
1.31

2011
R

12 560 875

12 560 875

10 463 000
1 219 736

612 000
1 066 000
(458 264)

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

1 362 903
13 045 639
(484 764)
12 560 875

% Change

17%
-14%
4%
4%
6%

% Change

19%
-15%
3%
7%
10%

**2011
Employees**

277

**2011
R**

1 842 157
1 842 157

**2008
R**

-

**2011
%**

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

7.84%
6.28%
1.47%

2011
R

1 779 258
311 137

210 178
160 071
(59 112)

(248 238)

1 842 157
(242 355)

1 599 802

% change

8%
-7%
-16%
15%
25%

% Change

7%
-6%
-10%
12%
26%

2011
R

105 367

3 252 723

188 610

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

41 623
811 995
1 042 228

16 770 213
16 770 213

15 440 092
1 330 122
16 770 214

15 957 059
813 154
16 770 214
(2 068 266)
14 701 948

**Cost of
Rehabilitation
2011**

4 269 580
3 531 844
5 577 759
2 068 266
1 322 765
16 770 214

**2011
R**

1 209 260
1 209 260

2 246 617
356 511
1 205 900
439 945
727 119
484 764
242 355
4 976 092

1 776 300
720 753
(250 436)
-
2 246 617

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

363 092
177 800
(184 381)

356 511

1 003 371
1 205 900
(1 003 371)

1 205 900

439 945

-

439 945

2011
R

659 002
-
(659 002)

-

2 068 266

2 068 266

18 979 332
213 126
351 068
1 213 017
1 846 395
169 341
802 627
-

23 574 906

23 315 522
259 384

23 574 906

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

2011
R

5 545 532

672 134

4 873 398

2 535 085

2 535 085

3 010 447

1 882 839

(91 040)

1 015 202

(153 000)

356 446

3 010 447

(16 359)

173 323

156 964

859 983

(1 000 000)

156 376

-

16 359

704 915

(1 000 000)

121 762

-

(173 323)

1 564 898

(2 000 000)

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

278 138
(156 964)

173 323
(16 359)
156 964

1 547 110
(1 959 887)
2 706 636
2 293 859

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

2011
R

41 962 084

42 254 350
3 700 040
38 554 310
(292 266)
(781 221)
488 955
(10 512)
(24 750)
14 238
41 951 571
42 254 350
(302 779)

624 763

358 968
352 586
6 382
(93 173)
(248 835)
155 662
83 524
(23 897)
(32 032)
8 135
-
-
-
325 422
442 492
(117 070)

2011
R

1 611 434

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

101 506
1 567 540
3 280 480
1 725 048
(12 108)
1 567 540
3 280 480
5 621
1 002 621

8 780 059
6 275 974
2 486 449
4 692 424
47 425
(60 391)
865 233
23 087 173
(8 005 832)
15 081 341

8 007 935
2 358 473
(2 360 576)
8 005 832

**Net balance
R**

10 744 415
5 799 102
2 570 061
3 805 637
45 693
216 767
23 181 674

**2011
R**

4 654 139
488 241
302 006
3 335 673

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

8 780 059

1 345 067
 354 413
 275 224
 4 301 270

6 275 974

509 646
 149 261
 130 464
 1 697 078

2 486 449

783 653
 247 133
 214 798
 3 446 840

4 692 424

(522 129)
 54 405
 16 532
 390 801

(60 391)

752
 373
 1 044
 45 256

47 425

6 771 128
 1 293 825
 940 068
 13 216 918

22 221 940

2011
R

12 443 343
 2 420 346

111 926
 2 036 968
 271 453

14 863 689**(4 503 280)****10 360 409**

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

4 946 462
1 282 260
(1 725 442)
4 503 280

**Net balance
R**

5 592 725
2 247 164
7 839 889

2 723 241
572 578
504 130
8 643 394
12 443 343

-
-
-
2 420 346
2 420 346

2 723 241
572 578
504 130
11 063 740
14 863 689

**2011
R**

18 795
(4 455)
14 340

41 250
25 410
-
66 660

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

54 774
10 925
65 699

109 414
396 716
-
506 130

2011
R

15 000 000
16 024 293
5 930
31 030 223

16 024 293
16 024 293

3 882 359
16 024 293

3 340 486
15 971 918

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

-
-

-
-

-
-

3 340 486
15 971 918

15 000 000

15 000 000

2011
R

34 702 988
(12 410 096)

22 292 892

4 172 182 124

4 172 182 124

0.863c/R

-
-
-

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

21 436 662

21 423 060
13 602

49 917 947

1 196 835
737 277
8 702 641
26 374 189
3 735 823
9 171 182

71 354 609

29 248 006
42 106 603

71 354 609

72 278 771
91 040
(474 263)
(540 939)

71 354 609

**2011
R**

21 423 060
434 456
1 663 615
511 766
439 644
13 602
235 960
28 791 074
43 211
-
1 203 618
4 198 554
11 077 112
1 318 939

71 354 609

-
21 423 060
(21 423 060)

-

-

-
13 602
(13 602)

-

-

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

196 835
1 000 000
(1 196 835)

-

21 088
750 000
(737 277)

-

33 811

2011
R

3 893 964
5 447 000
-

(8 702 641)

-

638 323

499 774
29 184 742
(17 857 346)

(8 516 843)

3 310 327

1 414 947
87 659

-

(3 735 823)

-

(2 233 217)

2 501 838
7 930 550
(878 483)

(8 292 699)

1 261 206

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

8 528 443
65 836 613
(42 106 603)
(29 248 006)
-

3 010 447

5 545 532
(2 535 085)

3 010 447

2011
R

3 686 869
610 835
5 620
4 511

4 307 835

42 432 727
9 123 374
4 116 838
6 028 934

61 701 873
(2 343 120)

59 358 753

1 027 962
216 237
1 366 448
48 649
378 983

3 038 279

96 349
256 252
77 889
26 662
166 656
80 457
23 151
-
89 840
62 230
14 210
16 886

910 582

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

2011
R

14 963
2 194 768
715 557
210 178
612 000
6 136 966
584 913
172 121
1 965 327
177 800
29 412 175
358 064
3 455 055
-

46 009 887

47 235 958
(1 226 071)

46 009 887

722 263
74 040
203 234
23 356
11 305

-
-

1 034 198

-
-

-
-

574 210
37 265
11 579
46 000
17 856
132 896

-
-

819 806

-
-
-
-
-

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

-
-
-

2011
R

-
-
-
-
-
-

-
-
-
-
-

523 815
59 624
187 200
23 463
41 059
-

835 161

-
-
-
-
-

558 125
450 883
458 447
424 296
1 393 581

3 285 332

2 358 473
1 282 260

3 640 733

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

2011
R

17 012 011
10 512
23 897

17 046 420

18 594 627
(1 525 834)
(14 238)
(8 135)

17 046 420

122 230

122 230

-
122 230

122 230

1 026 100
40 446
1 226 071
813 154

3 105 771

1 060 626
813 154
5 920
1 226 071

3 105 771

34 958 836
501 340

35 460 176

35 316 390
143 786

35 460 176

2011
R

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

1 663 614
 235 960
 434 456
 17 857 346
 142 565
 -
 -
 276 000
 -

20 609 941

235 651
 168 544
 2 447 745
 258 972
 264 910
 77 925
 838 683
 114 591
 1 563 973
 106 214
 1 036 434
 1 679 355
 764 571
 199 590
 282 025
 108 818
 1 129 871
 235 145
 6 882
 63 883
 241 086
 405 081
 153 646
 90 727
 813 431
 195 150
 1 255 486
 467 200
 316 982
 1 009 034
 45 598
 111 974
 916 195

17 605 372

18 379 036
 (932 089)
 87 359
 (16 260)
 87 326

17 605 372

2011
R

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

(932 089)
813 154
1 449 057
(1 330 122)

(259 384)
143 786
87 359
28 239

(91 040)
(153 000)
91 040
153 000

474 263
540 939
356 446
(1 015 202)
(356 446)

(14 238)
(39 043 265)

38 554 310
488 955
14 238

2011
R

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

5 920
(222 868)
(16 260)
(7 844)
(1 525 834)
122 230
1 567 540
(73 819 637)

(44 546 694)
1 270 810

115 769 033
1 525 834
(122 230)

(8 135)
(162 044)

6 382
155 662
8 135

2011
R

(12 108)
12 226
(118)

87 326
(87 326)

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

1 226 071
(1 226 071)

5 621
(6 605)
12 226

-
87 326
(87 326)

454 353
462 197
(7 844)

(1 449 057)
(28 239)
153 000
(356 446)
73 819 637
39 043 265
162 044
118

111 344 323

2011
R

12 088 677

17 046 420
122 230
454 353
2 048 249
(517 376)
1 114 665
2 104 453
(2 097 190)
813 154
3 640 733
(4 086 018)
(10 925)
(4 455)
65 836 613
(71 354 609)
-
-

27 198 975
10 041 126
14 139 466
173 323
(2 646 574)
(252 150)
(2 921 479)

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

1 548 540
37 240 101

15 000 000
5 930
16 024 293
31 030 223

31 030 223
7 505 419
5 545 532
1 959 887
23 524 804

10 423 302
(10 423 302)
-
-
-

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

2011
R

-
875 392
26 271 367

-

-

27 146 759

-
95 286

-

(95 286)

-

-
90 961

-

-

90 961

2 493 674
232 271
9.31

61 375 423
12 329 236
20.09

2011
R

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

-
235 145
(235 145)
-
-
-

-
2 468 618
2 447 745
20 873
(2 468 618)
-
-
-

(1 390 317)
(1 009 972)
3 947 399
1 547 110

-
6 026 028
(6 026 028)
-
-

-
9 284 833
(9 284 833)
-
-

2011
R
Outstanding
more than 90
days

4 533
1 075
-
-
5 608

2011
R

469 139
2 540 566
189 770

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

72 532
513 535
3 785 542

333 234
208 076
971 283
-
2 272 949
3 785 542

25 089 996

480 998
285 029
4 324 837
16 921 812
1 277 320
1 800 000
-
-
-
-
-

25 089 996

1 800 000
23 289 996
25 089 996

2011
R

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

19 184
(19 184)

2011
R

5 216 822
2 420 346

7 637 168

2 306 005
2 179 187
915 847
1 729 259
268 009

7 398 307

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

2011
R

4 503 280

1 819 915
2 751 720
1 060 956
2 179 512
193 729

8 005 832

2011
R

15 081 341
10 360 409
31 030 223
2 535 085

59 007 058

Total

13 762 379

11 199 544
2 562 835

21 036 366

17 608 724
3 427 641

21 622 574
1 648 973
2 409

58 072 701

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

12 910 539
10 423 302
2 487 237
21 036 366
16 770 214
4 266 152
23 574 906
5 545 532
173 323
63 240 666

2011
R

15 081 341
10 360 409
2 535 085
16 359
31 030 223
59 023 417

8 354 367
23 574 906
5 545 532
173 323
2 068 935
39 717 063

2011
R

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

2011
R

219 594
29 622
1 750
950
32 669
7 000
2 049

-
-

293 633

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

PROPERTY, PLANT AND EQUIPMENT

30 JUNE 2012

Reconciliation of Carrying Value

Reconciliation of Carrying Value	Cost						Accumulated Depreciation					Carrying Value
	Opening Balance	Additions	Transfer from DMA	Disposals	Transfer to Capital Assets	Closing Balance	Opening Balance	Depreciation Charge	Impairment Charge	Disposals	Closing Balance	
	R	R	R	R	R	R	R	R	R	R	R	
Land and Buildings	127 465 583	301 199	219 836	(132 000)	-	127 854 618	26 539 284	2 101 980	7 895	(69 026)	28 580 132	99 274 486
Land	64 405 323	-	-	(4 000)	-	64 401 323	-	-	-	-	-	64 401 323
Buildings	53 164 386	301 199	219 836	(128 000)	-	53 557 421	20 120 544	1 358 072	-	(69 026)	21 409 590	32 147 831
Capitalised Restoration Costs	9 895 874	-	-	-	-	9 895 874	6 418 740	743 908	7 895	-	7 170 542	2 725 332
Infrastructure	473 901 798	28 952 091	2 490 460	(3 435)	-	505 340 914	164 788 415	9 521 378	-	(905)	174 308 888	331 032 027
Roads, Pavements, Bridges & Storm Water	146 527 546	-	1 160 770	-	9 679 511	157 367 827	54 540 667	3 514 525	-	-	58 055 192	99 312 635
Water Network	156 535 621	-	1 108 075	(635)	23 369 009	181 012 070	65 821 842	3 679 725	-	(167)	69 501 400	111 510 670
Electricity	53 925 860	-	-	-	9 736 790	63 662 650	24 766 284	1 091 812	-	-	25 858 096	37 804 554
Sewerage Network	50 357 004	-	221 615	(2 800)	10 238 431	60 814 250	19 659 621	1 235 316	-	(738)	20 894 199	39 920 051
Work in progress	66 555 767	28 952 091	-	-	(53 023 741)	42 484 117	-	-	-	-	-	42 484 117
Lease Assets	1 168 103	-	-	-	-	1 168 103	127 750	93 135	-	-	220 885	947 218
Office Equipment	1 168 103	-	-	-	-	1 168 103	127 750	93 135	-	-	220 885	947 218
Community Assets	82 581 194	959 295	709 406	-	-	84 249 895	36 063 552	3 967 276	-	-	40 030 828	44 219 067
Recreational Grounds	27 271 608	880 104	437 642	-	-	28 589 354	10 665 836	1 230 923	-	-	11 896 760	16 692 594
Parks & Gardens	404 500	-	-	-	-	404 500	187 247	19 820	-	-	207 067	197 433
Clinics	11 124 008	-	-	-	-	11 124 008	5 027 167	554 750	-	-	5 581 917	5 542 091
Resorts	15 799 487	-	271 764	-	-	16 071 251	8 427 351	681 661	-	-	9 109 012	6 962 239
Community Halls	21 570 391	-	-	-	-	21 570 391	8 718 332	1 171 107	-	-	9 889 439	11 680 952
Libraries	6 076 200	-	-	-	-	6 076 200	2 875 703	293 212	-	-	3 168 915	2 907 285
Cemeteries	335 000	79 191	-	-	-	414 191	161 915	15 803	-	-	177 718	236 473
Other Assets	34 298 801	5 548 341	332 831	(3 634 300)	-	36 545 673	9 356 928	2 470 851	-	(1 588 436)	10 239 343	26 306 330
Bins & Containers	55 710	2 400 000	-	-	-	2 455 710	4 176	79 354	-	-	83 530	2 372 180
Computer Equipment	2 526 413	290 929	-	(692 100)	-	2 125 242	646 834	175 435	-	(291 775)	530 494	1 594 748
Emergency Equipment	45 517	-	-	(22 817)	-	22 700	18 584	2 445	-	(10 755)	10 274	12 426
Medical Equipment	7 257	-	-	-	-	7 257	1 328	550	-	-	1 878	5 379
Motor Vehicles	6 081 107	560 877	-	(168 685)	-	6 473 299	1 210 806	462 295	-	(26 204)	1 646 897	4 826 402
Office Equipment	5 723 657	475 543	408	(1 121 596)	-	5 078 012	1 511 735	402 688	-	(484 280)	1 430 143	3 647 869
Plant & Equipment	6 492 743	1 258 634	332 423	(564 509)	-	7 519 291	2 589 142	419 691	-	(230 955)	2 777 878	4 741 413
Security Systems	1 500	-	-	(1 500)	-	-	628	79	-	(707)	-	-
Specialised Vehicles	13 364 897	562 358	-	(1 063 093)	-	12 864 162	3 373 697	928 315	-	(543 760)	3 758 252	9 105 910
	719 415 479	35 760 926	3 752 533	(3 769 735)	-	755 159 203	236 875 928	18 154 621	7 895	(1 658 367)	253 380 077	501 779 127

The leased property, plant and equipment and the buildings are secured as set out in note 3.

30 JUNE 2011

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

Reconciliation of Carrying Value

Reconciliation of Carrying Value	Cost						Accumulated Depreciation					Carrying Value
	Opening Balance	Additions	Transfer from DMA	Disposals	Transfer to Capital Assets	Closing Balance	Opening Balance	Depreciation Charge	Impairment Charge	Disposals	Closing Balance	
	R	R		R	R	R	R	R	R	R	R	
Land and Buildings	127 371 182	742 496	-	(648 096)	-	127 465 583	24 504 701	2 106 095	122 230	(193 742)	26 539 284	100 926 299
Land	64 413 389	95 029	-	(103 096)	-	64 405 323	-	-	-	-	-	64 405 323
Buildings	53 061 919	647 467	-	(545 000)	-	53 164 386	18 987 927	1 326 359	-	(193 742)	20 120 544	33 043 842
Capitalised Restoration Costs	9 895 874	-	-	-	-	9 895 874	5 516 774	779 736	122 230	-	6 418 740	3 477 134
Infrastructure	443 698 429	30 203 369	-	-	-	473 901 798	155 693 205	9 095 210	-	-	164 788 415	309 113 383
Roads, Pavements, Bridges & Storm Water	128 592 895	-	-	-	17 934 651	146 527 546	51 165 971	3 374 696	-	-	54 540 667	91 986 879
Water Network	136 371 634	-	-	-	20 163 987	156 535 621	62 366 486	3 455 356	-	-	65 821 842	90 713 779
Electricity	49 225 681	-	-	-	4 700 179	53 925 860	23 712 582	1 053 702	-	-	24 766 284	29 159 576
Sewerage Network	33 107 691	-	-	-	17 249 313	50 357 004	18 448 165	1 211 456	-	-	19 659 621	30 697 383
Work in progress	96 400 528	30 203 369	-	-	(60 048 130)	66 555 767	-	-	-	-	-	66 555 767
Lease Assets	934 895	233 208	-	-	-	1 168 103	71 699	56 051	-	-	127 750	1 040 353
Office Equipment	934 895	233 208	-	-	-	1 168 103	71 699	56 051	-	-	127 750	1 040 353
Community Assets	81 045 215	1 535 979	-	-	-	82 581 194	32 270 728	3 792 824	-	-	36 063 552	46 517 642
Recreational Grounds	25 735 629	1 535 979	-	-	-	27 271 608	9 593 325	1 072 511	-	-	10 665 836	16 605 772
Parks & Gardens	404 500	-	-	-	-	404 500	167 481	19 765	-	-	187 247	217 253
Clinics	11 124 008	-	-	-	-	11 124 008	4 473 932	553 235	-	-	5 027 167	6 096 841
Resorts	15 799 487	-	-	-	-	15 799 487	7 756 116	671 235	-	-	8 427 351	7 372 136
Community Halls	21 570 391	-	-	-	-	21 570 391	7 550 425	1 167 908	-	-	8 718 332	12 852 059
Libraries	6 076 200	-	-	-	-	6 076 200	2 583 293	292 411	-	-	2 875 703	3 200 497
Cemeteries	335 000	-	-	-	-	335 000	146 156	15 760	-	-	161 915	173 085
Other Assets	30 277 309	4 021 492	-	-	-	34 298 801	7 395 097	1 961 831	-	-	9 356 928	24 941 873
Bins & Containers	55 710	-	-	-	-	55 710	2 214	1 962	-	-	4 176	51 534
Computer Equipment	2 186 450	339 963	-	-	-	2 526 413	507 727	139 107	-	-	646 834	1 879 579
Emergency Equipment	45 517	-	-	-	-	45 517	16 152	2 432	-	-	18 584	26 933
Medical Equipment	7 257	-	-	-	-	7 257	779	549	-	-	1 328	5 929
Motor Vehicles	5 312 959	768 148	-	-	-	6 081 107	845 282	365 524	-	-	1 210 806	4 870 301
Office Equipment	5 311 621	412 036	-	-	-	5 723 657	1 160 907	350 828	-	-	1 511 735	4 211 922
Plant & Equipment	6 314 286	178 457	-	-	-	6 492 743	2 247 136	342 006	-	-	2 589 142	3 903 601
Security Systems	1 500	-	-	-	-	1 500	549	79	-	-	628	872
Specialised Vehicles	11 042 009	2 322 888	-	-	-	13 364 897	2 614 352	759 345	-	-	3 373 697	9 991 200
	683 327 030	36 736 544	-	(648 096)	-	719 415 479	219 935 430	17 012 011	122 230	(193 742)	236 875 928	482 539 550
As previously reported	727 873 724	35 465 734	-	(648 095)	-	762 691 363	335 704 463	18 537 845	-	(193 742)	354 048 566	408 642 797
Correction of error restatement - note 37.05	(44 546 694)	1 270 810	-	-	-	(43 275 884)	(115 769 033)	(1 525 834)	122 230	(0)	(117 172 638)	73 896 754
Restated balance	683 327 030	36 736 544	-	(648 096)	-	719 415 479	219 935 430	17 012 011	122 230	(193 742)	236 875 928	482 539 550

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

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BUDGET COMPARISONS

	2012 Actual (R)	2012 Budget (R)	2012 Variance (R)	2012 Variance (%)	Explanation of Significant Variances greater than 10% versus Budget
Revenue by Source					
Property Rates	24 031 021	24 984 944	(953 923)	-4%	In line with expectation.
Other Taxes	2 628 965	2 942 968	(314 003)	-11%	In line with expectation.
Government Grants and Subsidies	65 097 230	78 718 239	(13 621 009)	-17%	DWA funds not yet received.
Public Contributions and Donations	154 555	-	154 555	0%	This item can not be budgeted accurately.
Third Party Payments	46 598	26 915	19 683	73%	This item can not be budgeted accurately.
Fines	3 336 994	4 132 726	(795 732)	-19%	Traffic Chief position vacant of 5 months.
Transfer from DMA	3 752 533	-	3 752 533	0%	Item could not have been budgeted for.
Service Charges	69 722 439	68 781 609	940 830	1%	In line with expectation.
Rental of Facilities and Equipment	2 722 091	3 014 863	(292 772)	-10%	In line with expectation.
Interest earned - external investments	1 474 128	1 243 866	230 262	19%	Additional funds received not budgeted for.
Interest earned - outstanding debtors	2 283 086	2 070 000	213 086	10%	In line with expectation.
Agency Services	1 735 819	1 776 397	(40 578)	-2%	In line with expectation.
Other income	1 259 897	38 490 200	(37 230 303)	-97%	Deficit funding of capex programmes funded from retained earnings.
	178 245 356	226 182 727	(47 937 371)	-21%	
Expenditure by Nature					
Employee Related Costs	54 654 328	54 963 141	(308 813)	-1%	In line with expectation.
Remuneration of Councillors	3 569 187	4 167 546	(598 359)	-14%	Salary increase only approved in June 2012.
Debt Impairment	8 366 652	2 500 000	5 866 652	235%	Is in line with increase in receivables from both exchange and non-exchange.
Collection Cost	2 932	3 098	(166)	-5%	In line with expectation.
Depreciation and Amortisation	18 205 303	22 975 080	(4 769 777)	-21%	Usefull lives reviewed had a decrease effect on depreciation.
Impairments	7 895	2 906 652	(2 898 757)	-100%	Budgeted as part of "Loss on disposal of PPE".
Repairs and Maintenance	7 975 934	7 618 219	357 715	5%	In line with expectation.
Actuarial Losses	2 988 606	-	2 988 606	0%	Discount rate used by actuaries less than last year.
Finance Charges	3 218 851	1 521 767	1 697 084	112%	Discount rate used by actuaries less than last year and discounting of landfill site provision.
Bulk Purchases	43 231 765	38 026 538	5 205 227	14%	Higher usages in peak season.
Operating Grant Expenditure	13 956 482	10 651 576	3 304 906	31%	Overexpenditure topstructure.
General Expenses	26 088 245	25 569 279	518 966	2%	In line with expectation.
Loss on disposal of PPE	2 192 865	-	2 192 865	0%	Budgeted as part of "Impairments"
	184 459 043	170 902 896	13 556 147	8%	
Surplus for the year	(6 213 687)	55 279 831	(61 493 518)	-111%	
Operating Expenditure by Vote					
Budget & Treasury	24 811 847	16 642 380	8 169 467	49%	Provision for bad debt.
Community & Social Services	5 684 493	3 873 636	1 810 857	47%	Due to depreciation charge not sufficiently budgeted for on community assets
Corporate Services	11 546 598	13 515 724	(1 969 126)	-15%	Due to depreciation charge overstated in budget.
Electricity	51 474 660	46 028 766	5 445 894	12%	Higher usages during peak season.
Executive & Council	17 504 989	17 282 485	222 504	1%	Unforeseen legal fees.
Health	570 682	1 195 194	(624 512)	-52%	In line with expectation.
Housing	5 423 674	4 734 828	688 846	15%	Own funding used to fund housing projects.
Other	532 348	581 515	(49 167)	-8%	In line with expectation.
Planning & Development	6 760 990	6 125 191	635 799	10%	Due to depreciation charge not sufficiently budgeted.
Public Safety	3 886 334	4 064 753	(178 419)	-4%	In line with expectation.
Road Transport	14 699 771	10 199 859	4 499 912	44%	In line with expectation.
Sport & Recreation	9 156 229	8 713 882	442 347	5%	Due to depreciation charge not sufficiently budgeted.
Waste Management	7 946 112	6 716 369	1 229 743	18%	Rehabilitation of landfill site provision not budgeted for.
Waste Water Management	10 301 001	15 651 677	(5 350 676)	-34%	In line with expectation.
Water	14 159 307	15 576 637	(1 417 330)	-9%	In line with expectation.
	184 459 034	170 902 896	13 556 138	8%	
Capital Expenditure by Vote					
Community & Social Services	285 707	179 957	105 750	59%	Immaterial.
Corporate Services	1 020 962	1 397 785	(376 823)	-27%	Savings on projects.
Electricity	343 708	334 753	8 955	3%	In line with expectation.
Executive & Council	403 338	525 069	(121 731)	-23%	Immaterial.
Housing	15 147 179	10 504 880	4 642 299	44%	Certain projects funded from own funding.
Planning & Development	96 624	98 178	(1 554)	-2%	In line with expectation.
Public Safety	7 199	20 889	(13 690)	-66%	Immaterial.
Road Transport	450 925	2 849 883	(2 398 958)	-84%	Projects delayed at Elands Bay.
Sport & Recreation	1 118 091	1 050 837	67 254	6%	In line with expectation.
Waste Management	2 977 549	3 016 941	(39 392)	-1%	In line with expectation.
Waste Water Management	4 646 461	7 119 318	(2 472 857)	-35%	Certain projects delayed.
Water	9 787 221	26 599 944	(16 812 723)	-63%	DWA project was not in full operation.
	36 284 964	53 698 434	(17 413 470)	-32%	

**APPENDIX A - Unaudited
CEDERBERG LOCAL MUNICIPALITY
SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2012**

EXTERNAL LOANS	Rate	Loan Number	Maturity date	Balance at 30 June 2011	Correction of error	Balance at 30 June 2011 Restated	Received during the period	Redeemed during the period	Balance at 30 June 2012
ANNUITY LOANS									
ABSA	9.53%	30-1738-1864	31 Mar 2016	9 475 841	-	9 475 841	-	(1 654 528)	7 821 312
ABSA	9.64%	28-7900-0691	30 Sep 2018	-	-	-	3 000 000	(154 385)	2 845 614
Total Annuity Loans				9 475 841		9 475 841	3 000 000	(1 808 913)	10 666 926
HIRE PURCHASES									
ABSA Motor Vehicles	11.50%	7691-1261	30 Apr 2013	39 506	-	39 506	-	(20 763)	18 743
ABSA Motor Vehicles	11.50%	7691-1466	30 Apr 2013	41 997	-	41 997	-	(22 072)	19 925
ABSA Motor Vehicles	11.50%	7691-6026	30 Apr 2013	140 763	-	140 763	-	(73 736)	67 027
ABSA Motor Vehicles	11.50%	7691-6182	30 Apr 2013	95 020	-	95 020	-	(49 775)	45 245
ABSA Motor Vehicles	11.50%	7691-1016	30 Apr 2013	38 111	-	38 111	-	(20 031)	18 080
Total Hire Purchases				355 397	-	355 397	-	(186 377)	169 020
LEASE LIABILITIES									
Copier AF2018D - Serial J9246200379			May 2013	18 556	-	18 556	-	(9 213.00)	9 343
Copier/Printer/Fax AF2016 - Serial K8166120687			Matured	1 999	-	1 999	-	(1 999.00)	-
Copier/Printer/Fax AF2016 - Serial K8166120692			Matured	1 999	-	1 999	-	(1 999.00)	-
Copier/Printer/Fax AF2016 - Serial K8166120881			Matured	1 999	-	1 999	-	(1 999.00)	-
Copier/Printer/Fax Aficio 1013F - Serial H9239600115			Aug 2012	5 512	-	5 512	-	(4 683.00)	829
Copier/Printer/Fax Aficio 1515MFP - Serial K2168506376			Oct 2012	5 873	-	5 873	-	(4 327.00)	1 546
Copier/Printer/Fax MP161SPFCH - Serial M0188700090			Matured	3 849	-	3 849	-	(3 849.00)	-
Copier/Printer/Fax MP171SPFCHN - Serial L7096561533			Oct 2012	20 282	-	20 282	-	(14 982.00)	5 300
Copier/Printer/Fax/Scanner MP2000SPFRD - Serial L096560675			Sep 2012	18 420	-	18 420	-	(14 466.00)	3 954
Copier/Printer/Fax MP171SPFCHN - Serial J9047120184			Dec 2013	10 576	-	10 576	-	(3 948.00)	6 628
Copier/Printer/Fax MP171SPFCHN - Serial J9056720721			Oct 2013	14 976	-	14 976	-	(6 037.00)	8 939
Copier/Printer/Fax MP171SPFCHN - Serial K2168506060			Oct 2013	17 495	-	17 495	-	(7 053.00)	10 442
Copier/Printer/Fax MP171SPFCHN - Serial K2258901289			Dec 2013	13 253	-	13 253	-	(4 948.00)	8 305
Copier/Printer/Fax MP171SPFCHN - Serial K9362800303			Nov 2013	35 065	-	35 065	-	(13 594.00)	21 471
Copier/Printer/Fax MP171SPFCHN - Serial V4408710345			Dec 2013	15 931	-	15 931	-	(5 947.00)	9 984
Copier/Printer/Fax MP171SPFCHN - Serial V4409007412			Mar 2014	17 336	-	17 336	-	(5 815.00)	11 521
Copier/Printer/Fax MPC2050ADB - Serial V2204604385			Mar 2014	83 038	-	83 038	-	(27 855.00)	55 183
Copier/Printer/Fax MPC2050ADB - Serial V2204604386			Mar 2014	83 038	-	83 038	-	(27 855.00)	55 183
Copier/Printer/Fax MPC2800 - Serial V1404502486			May 2014	-	86 296	86 296	-	(26 291.00)	60 005
Copier/Printer/Fax MP6001 - Serial V6993500242			May 2014	-	123 002	123 002	-	(37 474.00)	85 528
Copier/Printer/Fax AF1515MFP - Serial K2149300392			May 2014	-	13 569	13 569	-	(4 134.00)	9 435
Total Lease Liabilities				369 197	222 868	592 065	-	(228 468)	363 597
TOTAL EXTERNAL LOANS				10 200 435	222 868	10 423 303	3 000 000	(2 223 758)	11 199 543

APPENDIX B - Unaudited
CEDERBERG LOCAL MUNICIPALITY
DISCLOSURES OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003

Grant Description	Balance 1 JULY 2011 R	Correction of error R	Restated balance 1 JULY 2011 R	Paid back to Treasury R	Contributions during the year R	Operating Expenditure Transferred to Revenue R	Capital Expenditure Transferred to Revenue R	Balance 30 JUNE 2012 R	Unspent 30 JUNE 2012 (Creditor) R	Unpaid 30 JUNE 2012 (Debtor) R
UNSPENT CONDITIONAL GOVERNMENT GRANTS AND RECEIPTS										
<u>National Government Grants</u>										
Equitable Share	-	-	-	-	23 008 783	(23 008 783)	-	-	-	-
Municipal Infrastructure Grant (MIG)	164 060	474 263	638 323	(616 000)	12 814 002	(588 794)	(12 404 351)	(156 820)	-	(156 820)
- MIG - General	633	(633)	-	-	-	-	-	-	-	-
- Lambertsbay Water	47 732	-	47 732	(47 732)	3 823 618	-	(3 979 695)	(156 077)	-	-
- Sport Facility (Elandsbay)	8 236	-	8 236	(8 236)	-	-	-	-	-	-
- Sewerage Works Citrusdal	13 995	-	13 995	(13 995)	-	-	-	-	-	-
- Streets and Storm Water Clainwilliam	(439 129)	-	(439 129)	439 129	-	-	-	-	-	-
- Sewerage Works Lambertsbay	(63 175)	-	(63 175)	63 175	156 390	-	(156 390)	-	-	-
- Sewerage Works Leipoldtville	-	-	-	-	199 845	-	(199 845)	-	-	-
- Sewerage Works Citrusdal	(520 364)	520 364	-	-	6 070 737	-	(6 070 737)	-	-	-
- Sewerage Works Elandsbay	86 233	-	86 233	(86 233)	-	-	-	-	-	-
- Upgrading pumps and risingmain	100 920	-	100 920	(100 920)	-	-	-	-	-	-
- Drivers Training	6 862	-	6 862	-	-	-	-	6 862	-	-
- Water Leipoldtville	869 254	-	869 254	(869 254)	385 389	-	(395 389)	(10 000)	-	-
- Disaster Centre and Vehicles	7 395	-	7 395	-	-	(5 000)	-	2 395	-	-
- Streets and Storm Water	45 468	(45 468)	-	-	-	-	-	-	-	-
- Operating Expenditure	-	-	-	-	583 794	(583 794)	-	-	-	-
- Paving of Roads Elandsbay	-	-	-	8 066	1 594 229	-	(1 602 295)	-	-	-
Municipal Systems Improvement Grants (MSIG)	33 811	-	33 811	-	790 000	(811 812)	-	11 999	11 999	-
- Project Consolidate	33 811	-	33 811	-	231 361	(256 135)	-	9 037	-	-
- Project Consolidate	-	-	-	-	4 309	(1 347)	-	2 962	-	-
- Project Consolidate	-	-	-	-	490 000	(490 000)	-	-	-	-
- Capital	-	-	-	-	64 330	(64 330)	-	-	-	-
Finance Management Grant (FMG)	-	-	-	-	1 250 000	(1 250 000)	-	-	-	-
Integrated National Electrification Programme	(2 683 116)	449 899	(2 233 217)	(566 783)	2 800 000	-	-	-	-	-
- Housing Settlement - DME	(2 800 000)	-	(2 800 000)	-	2 800 000	-	-	-	-	-
- Integrated Electricity program - DME	25 844	540 939	566 783	(566 783)	-	-	-	-	-	-
- Bulk Electricity Sub Station Clainwilliam - DME	91 040	(91 040)	-	-	-	-	-	-	-	-
Department of Water Affairs	(301 868)	-	(301 868)	-	13 919 992	(2 694 565)	(10 945 198)	(21 639)	-	(21 639)
- Elandsbay Bulk Water - DWAF	67	-	67	-	-	-	(67)	-	-	-
- Bulk Water Lambertsbay - DWAF	715 165	-	715 165	-	-	-	(670 801)	44 364	-	-
- Leipoldtville Water - DWAF	187 027	-	187 027	-	-	-	-	187 027	-	-
- Desalination Plant Lambertsbay - DWAF	(1 204 127)	-	(1 204 127)	-	11 104 727	-	(9 533 669)	366 931	-	-
- Subsidy - DWAF O&M	-	-	-	-	193 000	(193 000)	-	-	-	-
- Water Clanwilliam - DWAF (ACIP)	-	-	-	-	1 201 296	(1 358 156)	-	(156 860)	-	-
- Sewerage Citrusdal - DWAF (ACIP)	-	-	-	-	1 126 971	(1 143 409)	-	(16 438)	-	-
- WWTW C/DAL - DWAF Capital	-	-	-	-	43 500	-	(263 158)	(219 658)	-	-
- WTW Clanwilliam - DWAF Capital	-	-	-	-	250 498	-	(439 607)	(189 109)	-	-
- Upgrade pumps and rising main CLANW - Capital	-	-	-	-	-	-	(37 896)	(37 896)	-	-
EPWP	-	-	-	-	611 000	(611 000)	-	-	-	-
DRDLR	-	-	-	-	855 000	(750 000)	-	105 000	105 000	-
Total National Government Grants	(2 787 113)	924 162	(1 862 951)	(1 182 783)	56 048 777	(29 714 954)	(23 349 549)	(61 460)	116 999	(178 459)

APPENDIX B - Unaudited
CEDERBERG LOCAL MUNICIPALITY
DISCLOSURES OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003

Grant Description	Balance 1 JULY 2011 R	Correction of error R	Restated balance 1 JULY 2011 R	Paid back to Treasury R	Contributions during the year R	Operating Expenditure Transferred to Revenue R	Capital Expenditure Transferred to Revenue R	Balance 30 JUNE 2012 R	Unspent 30 JUNE 2012 (Creditor) R	Unpaid 30 JUNE 2012 (Debtor) R
UNSPENT CONDITIONAL GOVERNMENT GRANTS AND RECEIPTS										
<u>Provincial Government Grants</u>										
Bird Island Project	237 657	-	237 657	-	-	-	-	237 657	237 657	-
LED Grant	123 826	-	123 826	-	-	(63 177)	-	60 649	60 649	-
LED Grant Capital	-	-	-	-	-	(22 625)	-	(22 625)	-	(22 625)
Spacial Development Framework	23 542	-	23 542	-	-	-	-	23 542	23 542	-
Preparation Fund project	6 673	-	6 673	-	-	-	-	6 673	6 673	-
Housing	2 953 881	356 446	3 310 327	-	4 944 290	(2 913 502)	(4 593 115)	748 000	748 000	-
Provincial Management Support	58 329	-	58 329	-	-	-	-	58 329	58 329	-
Library Services	174 589	-	174 589	-	342 992	(481 025)	(35 891)	665	665	-
Library Services MRF	-	-	-	-	973 000	(973 000)	-	-	-	-
CDW Support	245 280	-	245 280	-	259 999	(428 527)	(73 658)	3 094	3 094	-
Housing Consumer Education	76 176	-	76 176	-	-	(9 236)	-	66 940	66 940	-
Health	-	-	-	-	15 932	(15 932)	-	-	-	-
News Paper	-	-	-	-	9 514	(9 514)	-	-	-	-
Road Maintainance	-	-	-	-	298 600	(298 600)	-	-	-	-
Development of Sport and Recreational Facilities	70 000	-	70 000	-	-	(42 984)	-	27 016	27 016	-
Mobility Strategies Grant	500 000	-	500 000	-	-	-	(490 792)	9 208	9 208	-
Master Planning Grant	200 000	(153 000)	47 000	-	-	-	-	47 000	47 000	-
Neighbourhood Development Partnership	-	-	-	-	1 250 000	(1 054 950)	-	195 050	195 050	-
Marine Living Resources Fund	-	-	-	-	200 000	(151 848)	-	48 152	48 152	-
IDP Grant	-	-	-	-	-	(374 351)	-	(374 351)	-	(374 351)
Total Provincial Government Grants	4 669 953	203 446	4 873 398	-	8 294 327	(6 839 271)	(5 193 456)	1 134 998	1 531 974	(396 976)
TOTAL	1 882 840	1 127 608	3 010 447	(1 182 783)	64 343 104	(36 554 225)	(28 543 005)	1 073 538	1 648 973	(575 435)